

15th Annual Report (2008-09)

Cerebra Integrated Technologies Limited



BOARD OF DIRECTORS

V. Ranganathan	- Managing Director
Gururaj K. Upadhy	- Director Technical
Shridhar S. Hegde	- Whole-time Director
P. Vishwamurthy	- Whole-time Director
T. S. Suresh Kumar	- Director
P. E. Krishnan	- Director
S. Gopalakrishnan	- Director

REGISTERED OFFICE AND FACTORY

S-5, off 3rd Cross, I Stage,
Peenya Industrial Area,
Bangalore - 560 058
Tel: 91 - 80 - 28370282/84
Fax: 91 - 80 - 28372609
Web: www.cerebracomputers.com
Email: info@cerebracomputers.com
investors@cerebracomputers.com

ITES FACILITIES

26/4, 'a' Block, 2nd Floor
Industrial Suburb, Rajajinagar
Bangalore- 560 010
Tel. 91-80-2204 6969 to 79
Fax. 91-80-2204 6980

STATUTORY AUDITORS

M.S. Reddy & Associates
Chartered Accountants
#726, II Floor, 3rd Main, 3rd Cross,
"D" Block, II Stage, Rajajinagar,
Bangalore - 560 010.
Tel. 91 - 80 - 23422430

REGISTRARS & SHARE TRANSFER AGENTS

Karvy Computershare Pvt. Ltd.
Plot No 17 to 24, Vittal Rao Nagar,
Madhapur, Hyderabad - 500 081
Fax - 040-23420814
Phone : 040 - 23420818 - 824

BANKERS

Bank of India

ENLISTMENTS

Bangalore Stock Exchange
The Stock Exchange of Mumbai (BSE)
The Stock Exchange, Ahmedabad
Calcutta Stock Exchange Association Limited

DEPOSITORIES

National Securities Depository Limited
Central Depository Services Limited

Dear Stakeholder,

It is again that time of the year when I get a chance to communicate to all of you on our strong comeback and it is with considerable effort we have reached where we left off in the year 2003. Your company has touched the magic figure of 50 crore rupees in top line and all its businesses are profitable. We have wiped off all our debts and it is only with your un- stinted support we have reached this milestone .My grateful thanks to all of you. We are also proud to announce that we have been discharged from the purview of BIFR as committed to you all during our last AGM.

As you are all aware the economic scenario was very bleak throughout the year. There are now very visible signs of a recovery and in spite of the economy being what it was Cerebra has done very well. All our divisions namely Hardware, contract manufacturing and the ITES divisions are doing very well with good orders on hand.

Our newly setup LPO i.e Legal Process Outsourcing division has started off very well and we have currently good orders from UK and US. We have a good team of experienced attorneys heading this division and this will be the mainstay of your company in the years to come.

We are now looking at a new business jointly with a world leader from Singapore to setup a E waste processing facility. E waste as you all are aware is one of growing concerns of all countries across the world and India is one of leading producers of E waste. The market is growing exponentially to process e waste and we have plans to setup India's largest E waste processing facility. More on this as and when it develops.

I am proud to announce that your company is back to its days of old glory and we are now focussing and working hard to build this into a globally recognised and respected IT company for which needless to say we require all your support and help as always. My grateful thanks once more to all of you.

Place: Bangalore

Date 30th November, 2009

V. Ranganathan

Managing Director

CEREBRA INTEGRATED TECHNOLOGIES LIMITED

Regd Off. #S-5, off 3rd Cross, I Stage, Peenya Industrial Area, Bangalore - 560 058

NOTICE

NOTICE is hereby given that the Fifteenth Annual General Meeting of the Company will be held at 11.00 a.m. on Wednesday, 30th December, 2009 at the Registered Office of the Company to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at September 30, 2009 and the Profit and Loss Account for the year ended on that date along with the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. T. S. Suresh Kumar, who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. P. E Krishnan, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Messrs. M.S. Reddy & Associates, Chartered Accountants, Bangalore who retire at the end of the ensuing Annual General Meeting and being eligible, offer themselves for appointment and to authorize the Board of Directors of the Company to fix their remuneration.

SPECIAL BUSINESS:

5. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:
"RESOLVED THAT in terms of the provisions of Sec 16 and all other provisions, if any, of the Companies Act, 1956, and subject to the approval of the members in this behalf and subject to such clearances, approvals, concurrences as may be called for or necessitated, the Board of Directors do resolve to alter and amend the existing MAIN OBJECTS of Memorandum of Association to be pursued on incorporation to be read as under:

By adding 2 (two) more clauses to the existing Clause 'A' as hereunder:

(A) MAIN OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION:

10. To collect all kinds of electronic waste items which would include completely dead electronic items, can be repaired, can be partly salvaged or can be fully salvaged items. Electronic items would cover the entire gamut of products which has some electronic circuit in them like TVs, phones, computers, remotes, control panels of kitchen appliances or anything which has a printed circuit board in them and to setup a line which would assess the electronic waste and categorize the waste into the various categories as described above.
11. To setup a repair process/centre which would repair/refurbish all electronic items and would be repackaged for re-sale as refurbished products, a process and plant to extract and refine copper, tin and other non-precious metals from these electronic waste items and convert it into its pure form for resale and reuse, a process and plant to extract Precious Group Metals like Gold, Palladium, Beryllium etc., and convert it into its pure form for resale and reuse, a process and plant to ensure that all data that is stored on the Storage media of computers and other information devices are fully destroyed and are not extractable, a process/plant and go down to be able to trade in all types of metal, non-metal and other raw materials which are generated out of this electronic wastes, plastic recovery process and plant which would recover plastics and these would be sold again as refurbished plastic to Plastic Moulding companies. As a part of this process other bio-grade products would be processed and would then be refined for use as fuel/oil or as a direct raw material for generating power."

6. To consider, and if thought fit, to pass, with or without modification(s); the following Resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 94 and other applicable provisions, if any, of the Companies Act, 1956, the Authorised share capital of the Company be and is hereby increased from the existing Rs.18,00,00,000 (Rupees Eighteen Crores Only) divided into 1,80,00,000 (One Crore Eighty Lakhs) Equity Shares of Rs.10/- each to Rs.45,00,00,000 (Rupees Forty Five Crores only) divided into 4,50,00,000 (Four Crores Fifty Lakhs) Equity Shares of Rs.10/- each by creation of additional 2,70,00,000 (Two Crores Seventy Lakhs) Equity Shares of Rs.10/- each ranking *pari passu* with the existing Equity Shares .”

7. **To consider, and if thought fit, to pass, with or without modification(s); the following Resolution as a Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 16 and other applicable provisions, if any, of the Companies Act 1956, the Memorandum of Association be and is hereby altered in the following manner:

By deleting the existing Clause V and by substituting the following new Clause V as under:

V. The Authorised Share Capital of the Company is Rs.45,00,00,000 (Rupees Forty Five Crores only) divided into 4,50,00,000 (Four Crores Fifty Lakhs) Equity Shares of Rs.10/- each.”

8. **To consider, and if thought fit, to pass, with or without modification(s); the following Resolution as a Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act 1956, the Articles of Association be and is hereby altered in the following manner:

By deleting the existing Article 3 and by substituting the following new Article 3 as under:

3. The Authorised Share Capital of the company is Rs.45,00,00,000 (Rupees Forty Five Crores only) divided into 4,50,00,000 (Four Crores Fifty Lakhs) Equity Shares of Rs.10/- each.”

9. **To consider, and if thought fit, to pass with or without modification(s); the following resolution as a Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 372A and other applicable provisions if any of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and in accordance with the provisions of Articles of Association of the Company and subject to further approval of statutory and other authorities as may be necessary and subject to such terms, conditions, stipulations, alterations and modifications if any, as may be prescribed and specified by such authorities while granting such approvals and which may be agreed by the Board of Directors of the Company (hereinafter referred to as the ‘Board’ which expression shall include a Committee of Directors duly authorised in this behalf) the consent of the Company be and is hereby accorded to the Board of Directors of the Company to make investment in excess of 60% of the aggregate of the paid up Share Capital and free reserves and/or 100% of the aggregate of the free reserves of the Company as per the limits prescribed under Section 372A of the Companies Act, 1956 in the Share Capital of Enviro Metals Waste Management India Pvt. Ltd. to hold it as a 100% subsidiary i.e. Wholly Owned Subsidiary(WOS) of Cerebra Integrated Technologies Limited by way of issuing Shares to the Shareholders of Enviro Metals Waste Management India Pvt. Ltd.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to negotiate the terms, conditions, quantum of investment and other related matters in connection with the investment in Enviro Metals Waste Management India Pvt. Ltd. and to do all such deeds and things as may be deemed expedient and necessary to give effect to this resolution.”

10. **To consider, and if thought fit, to pass with or without modification(s); the following resolution as a Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 81(IA) and other applicable provisions if any, of the Companies Act, 1956, relevant guidelines of the Securities and Exchange Board of India (SEBI), Listing Agreement entered into, with the Stock Exchanges, Foreign Exchange Management Act, 2000 or any other applicable law/ rules/regulations, sanctions and the Memorandum and Articles of Association of the Company and subject to the approval/consent/permission that may be required from SEBI, Government of India, Reserve Bank of India, Foreign Investment Promotion Board (FIPB) or of any other authorities and subject to such terms, conditions, alterations, corrections, changes if any as may be prescribed by any or more or all of them while granting such approval/sanction/consent/permissions, consent of the Company be and is hereby accorded to create, offer, issue and allot upto 46,00,000 (Forty Six Lakhs) Equity Shares of Rs.10/- each at par on a preferential basis under Stock Swap scheme to the Shareholders of Enviro Metals Waste Management India Pvt. Ltd., as set out herein below, for consideration of 3 acres (three acres) of land, 20,000 square feet of Building, 600 amp power supply connection, licenses etc., on such terms and conditions as may be decided and deemed appropriate by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any duly authorized Committee thereof).

RESOLVED FURTHER THAT the “Relevant Date” in relation to the issue of Equity Shares in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 would be 30.11.09 being 30 days prior to the date of passing of this resolution.

RESOLVED FURTHER THAT the issue of Equity Shares as above shall be subject to the following terms and conditions:

- a The said issue of Equity Share is for consideration other than cash.
- b The number of Shares and the price per Share shall be appropriately adjusted, subject to the Companies Act, 1956 and SEBI Guidelines for corporate actions such as bonus issue, rights issue, stock split, merger, demerger, transfer of undertaking, sale of a division or any such capital or corporate restructuring.
- c The Shares to be allotted on Preferential basis shall be subject to lock in as applicable under SEBI Guidelines in this behalf.

RESOLVED FURTHER THAT the Board be and is hereby authorized in its entire discretion to decide to proceed with the issue of the Equity Shares, including the size and relative components of the same and for the purpose of giving effect to this issue or allotment of Shares, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may at its discretion deem necessary or desirable for such purpose, including but without limitation, appointment of consultants, solicitors, merchant bankers or any other agencies as may be required and entering into arrangements for listing, trading, depository services and such other arrangements and agreements, as may be necessary and also to seek listing of the Equity Shares representing the same in any Stock Exchange(s) with power on behalf of the Company, to settle any questions, difficulties or doubts that may arise in regard to any such issue, offer or allotment of Equity Shares and in complying with any Regulations, as it may in its absolute discretion deem fit, without being required to seek any further clarification, consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board of Directors be authorized to deal with any issue arising out of the proposed issue in the best interest of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or Officer(s) of the Company to give effect to this resolution.”

- 11. To consider, and if thought fit, to pass with or without modification(s); the following resolution as a Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 81(IA) and other applicable provisions if any, of the Companies Act, 1956, relevant guidelines of the Securities and Exchange Board of India (SEBI), Listing Agreement entered into, with the Stock Exchanges, Foreign Exchange Management Act, 2000 or any other applicable law/ rules/ regulations and the Memorandum and Articles of Association of the Company and subject to the approval/ consent/permission that may be required from SEBI, Government of India including FIPB, Reserve Bank of India or of any other authorities and subject to such terms, conditions, alterations, corrections, changes if any as may be prescribed by any or more or all of them while granting such approval/sanction/consent/permissions, consent of the Company be and is hereby accorded to create, offer, issue and allot up to 46,00,000 (Forty Six Lakhs) Equity Shares of Rs.10/- each at par for and on behalf of Enviro Metals Waste Management India Pvt. Ltd. subject to Enviro Metals Waste Management India Pvt Ltd becoming Wholly Owned Subsidiary (WOS) of the Company, on a preferential basis to Scenic Overseas Limited, Singapore as set out herein below, for part consideration of supply of part of the Plant and Machinery to set up E-Waste Management business, on such terms and conditions as may be decided and deemed appropriate by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any duly authorized Committee thereof).

RESOLVED FURTHER THAT the “Relevant Date” in relation to the issue of Equity Shares in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 would be 30.11.2009 being 30 days prior to the date of passing of this resolution.

RESOLVED FURTHER THAT the issue of Equity Shares as above shall be subject to the following terms and conditions:

- a The said issue of Equity Shares are for consideration other than cash.
- b The number of Shares and the price per Shares shall be appropriately adjusted, subject to the Companies Act, 1956 and SEBI Guidelines for corporate actions such as bonus issue, rights issue, stock split, merger, demerger, transfer of undertaking, sale of a division or any such capital or corporate restructuring.
- c The Shares to be allotted on Preferential basis shall be subject to lock in as applicable under SEBI Guidelines in this behalf.

RESOLVED FURTHER THAT the Board be and is hereby authorized in its entire discretion to decide to proceed with the issue of the Equity Shares and for the purpose of giving effect to this issue or allotment of Shares, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may at its discretion deem necessary or desirable for such purpose, including but without limitation, appointment of consultants, solicitors, merchant bankers or any other agencies as may be required and entering into arrangements for listing, trading, depository services and such other arrangements and agreements, as may be necessary and also to seek listing of the Equity Shares representing the same in any Stock Exchange(s) with power on behalf of the Company, to settle any questions, difficulties or doubts that may arise in regard to any such issue, offer or allotment of Equity Shares and in complying with any Regulations, as it may in its absolute discretion deem fit, without being required to seek any further clarification, consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

FURTHER RESOLVED THAT approval be and is hereby accorded to the Board of Directors to enter in to tripartite Agreement with Enviro Metals Waste Management India Pvt. Ltd. and Scenic Overseas Limited.

RESOLVED FURTHER THAT the Board of Directors be authorized to deal with any issue arising out of the proposed issue in the best interest of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or Officer(s) of the Company to give effect to this resolution.”

12. To consider, and if thought fit, to pass with or without modification(s); the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 81(IA) and other applicable provisions if any, of the Companies Act, 1956, relevant guidelines of the Securities and Exchange Board of India (SEBI), Listing Agreement entered into, with the Stock Exchanges, Foreign Exchange Management Act, 2000 or any other applicable law/ rules/ regulations, sanctions and the Memorandum and Articles of Association of the Company and subject to the approval/consent/permission that may be required from SEBI, Government of India including FIPB, Reserve Bank of India or of any other authorities and subject to such terms, conditions, alterations, corrections, changes if any as may be prescribed by any or more or all of them while granting such approval/sanction/consent/ permissions, consent of the Company be and is hereby accorded to create, offer, issue and allot upto 23,00,000 (Twenty Three Lakhs) Equity Shares of Rs.10/- each at par for and on behalf of Enviro Metals Waste Management India Pvt. Ltd. subject to Enviro Metals Waste Management India Pvt Ltd becoming Wholly Owned Subsidiary (WOS) of the Company, on a preferential basis to Leytron Technology Pte. Ltd., Singapore, as set out herein below, for part consideration of specific expertise required for providing services like installation, commissioning, trial run of the plant and machinery, completion justification and successful commissioning certification for the installation and proper working of plant and machinery resulting in the smooth running of Electronic - Waste Management and Recycling plant thereof, on such terms and conditions as may be decided and deemed appropriate by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any duly authorized Committee thereof).

RESOLVED FURTHER THAT the “Relevant Date” in relation to the issue of Equity Shares in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 would be 30.11.09 being 30 days prior to the date of passing of this resolution.

RESOLVED FURTHER THAT the issue of Equity Shares as above shall be subject to the following terms and conditions:

- a The said issue of Equity Shares are for consideration other than cash.
- b The number of Shares and the price per Shares shall be appropriately adjusted, subject to the Companies Act, 1956 and SEBI Guidelines for corporate actions such as bonus issue, rights issue, stock split, merger, demerger, transfer of undertaking, sale of a division or any such capital or corporate restructuring.
- c The Shares to be allotted on Preferential basis shall be subject to lock in as applicable under SEBI Guidelines in this behalf.

RESOLVED FURTHER THAT the Board be and is hereby authorized in its entire discretion to decide to proceed with the issue of the Equity Shares and for the purpose of giving effect to this issue or allotment of Shares, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may at its discretion deem necessary or desirable for such purpose, including but without limitation, appointment of consultants, solicitors, merchant bankers or any other agencies as may be required and entering into arrangements for listing, trading, depository services and such other arrangements and agreements, as may be necessary and also to seek listing of the Equity Shares representing the same in any Stock Exchange (s) with power on behalf of the Company, to settle any questions, difficulties or doubts that may arise in regard to any such issue, offer or allotment of Equity Shares and in complying with any Regulations, as it may in its absolute discretion deem fit, without being required to seek any further clarification, consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

FURTHER RESOLVED THAT approval be and is hereby accorded to the Board of Directors to enter in to tripartite agreement with Enviro Metals Waste Management India Pvt. Ltd. and Leytron Technology Pte. Ltd.

RESOLVED FURTHER THAT the Board of Directors be authorized to deal with any issue arising out of the proposed issue in the best interest of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or Officer(s) of the Company to give effect to this resolution."

13. To consider, and if thought fit, to pass with or without modification(s); the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 81(IA) and other applicable provisions if any, of the Companies Act, 1956, relevant guidelines of the Securities and Exchange Board of India (SEBI), Listing Agreement entered into, with the Stock Exchanges, Foreign Exchange Management Act, 2000 or any other applicable law/ rules/ regulations, sanctions and the Memorandum and Articles of Association of the Company and subject to the approval/consent/permission that may be required from SEBI, Government of India including FIPB, Reserve Bank of India or of any other authorities and subject to such terms, conditions, alterations, corrections, changes if any as may be prescribed by any or more or all of them while granting such approval/sanction/consent/ permissions, consent of the Company be and is hereby accorded to create, offer, issue and allot upto 23,00,000 (Twenty Three Lakhs) Equity Shares of Rs.10/- each at par for and on behalf of Enviro Metals Waste Management India Pvt. Ltd. subject to Enviro Metals Waste Management India Pvt Ltd becoming Wholly Owned Subsidiary (WOS) of the Company, on a preferential basis to Cimelia Resource Recovery Pte Ltd., as set out herein below, for consideration of Management Services Agreement for three years including technical advice on plant layout, training of technical personnel, commissioning of day-to-day operations and market support, on such terms and conditions as may be decided and deemed appropriate by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any duly authorized Committee thereof).

RESOLVED FURTHER THAT the "Relevant Date" in relation to the issue of Equity Shares in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 would be 30.11.09 being 30 days prior to the date of passing of this resolution.

RESOLVED FURTHER THAT the issue of Equity Shares as above shall be subject to the following terms and conditions:

- a The said issue of Equity Shares are for consideration other than cash.
- b The number of Shares and the price per Share shall be appropriately adjusted, subject to the Companies Act, 1956 and SEBI Guidelines for corporate actions such as bonus issue, rights issue, stock split, merger, demerger, transfer of undertaking, sale of a division or any such capital or corporate restructuring.
- c The Shares to be allotted on Preferential basis shall be subject to lock in as applicable under SEBI Guidelines in this behalf.

RESOLVED FURTHER THAT the Board be and is hereby authorized in its entire discretion to decide to proceed with the issue of the Equity Shares and for the purpose of giving effect to this issue or allotment of Shares, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may at its discretion deem necessary or desirable for such purpose, including but without limitation, appointment of consultants, solicitors, merchant bankers or any other agencies as may be required and entering into arrangements for listing, trading, depository services and such other arrangements and agreements, as may be necessary and also to seek listing of the Equity Shares representing the same in any Stock Exchange (s) with power on behalf of the Company, to settle any questions, difficulties or doubts that may arise in regard to any such issue, offer or allotment of Equity Shares and in complying with any Regulations, as it may in its absolute discretion deem fit, without being required to seek any further clarification, consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

FURTHER RESOLVED THAT approval be and is hereby accorded to the Board of Directors to enter in to tripartite Agreement with Enviro Metals Waste Management India Pvt. Ltd. and Cimelia E-Waste Recycling Pvt. Ltd.

RESOLVED FURTHER THAT the Board of Directors be authorized to deal with any issue arising out of the proposed issue in the best interest of the Company”.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or Officer(s) of the Company to give effect to this resolution.”

14. To consider, and if thought fit, to pass with or without modifications(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 81(IA) and other applicable provisions if any, of the Companies Act, 1956, relevant guidelines of the Securities and Exchange Board of India (SEBI), Listing Agreement entered into, with the Stock Exchanges, Foreign Exchange Management Act,2000 or any other applicable law/ rules/regulations, sanctions and the Memorandum and Articles of Association of the Company and subject to the approval/consent/permission that may be required from SEBI, Government of India including FIPB, Reserve Bank of India or of any other authorities and subject to such terms, conditions, alterations, corrections, changes if any as may be prescribed by any or more or all of them while granting such approval/sanction/consent/ permissions, consent of the Company be and is hereby accorded to create, offer, issue and allot upto 2197500 (Twenty one lakhs Ninty Seven thousands Five Hundred) Equity Shares of Rs.10/- each at par on a preferential basis to the Strategic Investors as set out herein below, for cash on such terms and conditions as may be decided and deemed appropriate by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any duly authorized Committee thereof).

SL No	Name of the proposed Allottees	Number of Equity Shares	Value
1.	Cimelia E-Waste Recycling Pvt Ltd	10,00,000	1,00,00,000/-
2	Kalisp Realty Private Limited	4,00,000	40,00,000/-
3.	LPP Developers Private Limited	4,00,000	40,00,000/-
4.	E N Veeranna	50,000	5,00,000/-
5	Asha Maiya	5,250	52,500/-
6	Kiran Soni	5,250	52,500/-
6	Shailendra Kumar Suman	21,000	2,10,000/-
7	Mythili Kannan	3,16,000	31,60,000/-
		2,197,500	21,975,000/-

RESOLVED FURTHER THAT the “Relevant Date” in relation to the issue of Equity Shares in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 would be 30.11.2009 being 30 days prior to the date of passing of this resolution.

RESOLVED FURTHER THAT the issue of Equity Shares as above shall be subject to the following terms and conditions:

- The said issue of Equity Shares are for cash.
- The number of Shares and the price per Share shall be appropriately adjusted, subject to the Companies Act, 1956 and SEBI Guidelines for corporate actions such as bonus issue, rights issue, stock split, merger, demerger, transfer of undertaking, sale of a division or any such capital or corporate restructuring.
- The Shares to be allotted on Preferential basis shall be subject to lock in as applicable under SEBI Guidelines in this behalf.

RESOLVED FURTHER THAT the Board be and is hereby authorized in its entire discretion to decide to proceed with the issue of the Equity Shares, to finalize the list of allottees, including the size and relative components of the same, and for the purpose of giving effect to this issue or allotment of Shares, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may at its discretion

deem necessary or desirable for such purpose, including but without limitation, appointment of consultants, solicitors, merchant bankers or any other agencies as may be required and entering into arrangements for listing, trading, depository services and such other arrangements and agreements, as may be necessary and also to seek listing of the Equity Shares representing the same in any Stock Exchange (s) with power on behalf of the Company, to settle any questions, difficulties or doubts that may arise in regard to any such issue, offer or allotment of Equity Shares and in complying with any Regulations, as it may in its absolute discretion deem fit, without being required to seek any further clarification, consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board of Directors be authorized to deal with any issue arising out of the proposed issue in the best interest of the Company”.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or Officer(s) of the Company to give effect to this resolution.”

15. To consider, and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 81(IA) and other applicable provisions if any, of the Companies Act, 1956, relevant guidelines of the Securities and Exchange Board of India (SEBI), Listing Agreement entered into, with the Stock Exchanges, Foreign Exchange Management Act, 2000 or any other applicable law/ rules/regulations, sanctions and the Memorandum and Articles of Association of the Company and subject to the approval/consent/permission that may be required from SEBI, Government of India including FIPB, Reserve Bank of India or of any other authorities and subject to such terms, conditions, alterations, corrections, changes if any as may be prescribed by any or more or all of them while granting such approval/sanction/consent/ permissions, consent of the Company be and is hereby accorded to create, offer, issue and allot upto 15,00,000 Share Warrants on a preferential basis to the Promoters, as set out herein below, each Share Warrant convertible into one Equity Share of the Company of Nominal Value of Rs.10/- each at par, for cash, so that the total number of Equity Shares to be issued by the Company upon conversion of the Share Warrants does not exceed 15,00,000 Equity Shares, on such terms and conditions as may be decided and deemed appropriate by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any duly authorized Committee thereof).

SL No	Name of the proposed Allottees	Number of Warrants not exceeding	Value (Rs) 10/ Per Warrant (Rs) 2.50 Payable
1.	V Ranganathan	3,00,000	7,50,000
2	Gururaja K Upadhy	3,00,000	7,50,000
3	P Vishwamurthy	3,00,000	7,50,000
4	P Bharath	3,00,000	7,50,000
5	Shridhar S Hegde	3,00,000	7,50,000

RESOLVED FURTHER THAT the “Relevant Date” in relation to the issue of Warrants in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 would be 30.11.2009 being 30 days prior to the date of passing of this resolution.

RESOLVED FURTHER THAT the issue of Warrants as above shall be subject to the following terms and conditions:

- The Share Warrants shall be convertible (at the sole option of the Warrant Holders) at any time within a period of eighteen months from the date of allotment.
- Each Share Warrant shall be convertible into one Equity Share of nominal value of Rs.10/- each of the Company.

- c. The Share Warrant holder(s) shall, on the date of allotment of Share Warrants, pay upfront an amount equivalent to 25% of the total consideration per Share Warrant i.e. Rs. 2.50 per Warrant, each Warrant price being Rs. 10/-.
- d. The Share Warrant holder(s) shall, before the date of conversion of the Warrants into Equity Shares, pay the balance 75% i.e. Rs. 7.50 per Share Warrant, towards the consideration for the subscription to each Equity Share.
- e. The number of Share Warrants/Shares and the price per Share Warrant/Shares shall be appropriately adjusted, subject to the Companies Act, 1956 and SEBI Guidelines for corporate actions such as bonus issue, rights issue, stock split, merger, demerger, transfer of undertaking, sale of a division or any such capital or corporate restructuring.
- f. The Share Warrants / Shares to be allotted on preferential basis shall be subject to lock in for a period of three (3) years as applicable under SEBI Guidelines in this behalf.
- g. In the event of any of the Share Warrant Holders not subscribing to all or any of the Equity Shares relating to Share Warrants within the stipulated period viz. eighteen months from the date of allotment of the Share Warrants, the Board shall in its absolute discretion, offer such Shares to any other person(s) subject to the prevailing guidelines and in case such offer is declined by such person(s) or the Equity Shares are not subscribed to, within the stipulated period, such Shares shall lapse.

RESOLVED FURTHER THAT the Company shall ensure that whilst any Share Warrants remain exercisable, it will at all times keep available and reserved such part of its authorized but unissued Share Capital as would enable all outstanding Warrants to be satisfied in full.

RESOLVED FURTHER THAT the Board be and is hereby authorized in its entire discretion to decide to proceed with the issue of the Share Warrants, to finalize the list of allottees, including the size and relative components of the same, and for the purpose of giving effect to this issue or allotment of Share Warrants or Shares, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may at its discretion deem necessary or desirable for such purpose, including but without limitation, appointment of consultants, solicitors, merchant bankers or any other agencies as may be required and entering into arrangements for listing, trading, depository services and such other arrangements and agreements, as may be necessary and also to seek listing of the Equity Shares representing the same in any Stock Exchange(s) with power on behalf of the Company, to settle any questions, difficulties or doubts that may arise in regard to any such issue, offer or allotment of Warrants/Equity Shares and in complying with any Regulations, as it may in its absolute discretion deem fit, without being required to seek any further clarification, consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such number of Equity Shares as may be required to be issued and allotted upon conversion of the Share Warrants and that the said Equity Shares shall rank in all respects *pari passu* with the existing Equity Shares of the Company including payment of dividend.

RESOLVED FURTHER THAT the Board of Directors be authorized to deal with any issue arising out of the proposed issue including powers to dispose off the Warrants not exercised in any manner whatsoever and powers to refund the application monies on account of the unexercised Warrants to the Warrant holders in cases of exigencies and if the same be in the best interest of the Company.

RESOLVED FURTHER that the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or Officer(s) of the Company to give effect to this resolution."

16. To consider, and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 81(IA) and other applicable provisions if any, of the Companies Act, 1956, relevant guidelines of the Securities and Exchange Board of India (SEBI), Listing Agreement entered into, with the Stock Exchanges, Foreign Exchange Management Act, 2000 or any other applicable law/rules/regulations, sanctions and the Memorandum and Articles of Association of the Company and subject to the approval/consent/permission that may be required from SEBI, Government of India including FIPB, Reserve Bank of India or of any other authorities and subject to such terms, conditions, alterations, corrections, changes if any as may be prescribed by any or more or all of them while granting such approval/sanction/consent/permissions, consent of the Company be and is hereby accorded to create, offer, issue and allot upto 9255000 Share Warrants on a preferential basis to the Strategic Investors, as set out herein below, each Share Warrant convertible into one Equity Share of the Company of Nominal Value of Rs.10/- each at par, for cash, so that the total number of Equity Shares to be issued by the Company upon conversion of the Share Warrants does not exceed 9255000 Equity Shares, on such terms and conditions as may be decided and deemed appropriate by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any duly authorized Committee thereof).

SL No	Name of the proposed Allottees	Number of Warrants not exceeding	Value Rs. 10/- Per Warrant Rs 2.50/- Payable
1	Aarrkays Energy Systems Private Limited	2100000	5250000
2	Damaynti Agarwal	42000	105000
3	C Lakshmi	52500	131250
4	Aadeesh Nahar	168000	420000
5	Agrahar Securites Pvt. Ltd.,	105000	262500
6	Vijayakrishna K T	262500	656250
7	Europlus Capital Limited	1500000	3750000
8	Kalisp Realty Private Limited	2500000	6250000
9	LPP Developers Private Limited	2500000	6250000
10	Shameem Jan	25000	62500
		9255000	23137500

RESOLVED FURTHER THAT the “Relevant Date” in relation to the issue of Warrants in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 would be 30.11.2009 being 30 days prior to the date of passing of this resolution.

RESOLVED FURTHER THAT the issue of Warrants as above shall be subject to the following terms and conditions:

- The Share Warrants shall be convertible (at the sole option of the Warrant Holders) at any time within a period of eighteen months from the date of allotment.
- Each Share Warrant shall be convertible into one Equity Share of nominal value of Rs.10/- each of the Company.
- The Share Warrant holder(s) shall, on the date of allotment of Share Warrants, pay upfront an amount equivalent to 25% of the total consideration per Share Warrant i.e. Rs. 2.50 per Warrant, each Warrant price being Rs. 10/
- The Share Warrant holder(s) shall, before the date of conversion of the Warrants into Equity Shares, pay the balance 75% i.e. Rs. 7.50 per Share Warrant, towards the consideration for the subscription to each Equity Share.
- The number of Share Warrants/Shares and the price per Share Warrant/Shares shall be appropriately adjusted, subject to the Companies Act, 1956 and SEBI Guidelines for corporate actions such as bonus issue, rights

issue, stock split, merger, demerger, transfer of undertaking, sale of a division or any such capital or corporate restructuring.

- f. The Share Warrants / Shares to be allotted on preferential basis shall be subject to lock in for a period of three (3) years as applicable under SEBI Guidelines in this behalf.
- g. In the event of any of the Share Warrant Holders not subscribing to all or any of the Equity Shares relatable to Share Warrants within the stipulated period viz. eighteen months from the date of allotment of the Share Warrants, the Board shall in its absolute discretion, offer such Shares to any other person(s) subject to the prevailing guidelines and in case such offer is declined by such person(s) or the Equity Shares are not subscribed to, within the stipulated period, such Shares shall lapse.

RESOLVED FURTHER THAT the Company shall ensure that whilst any Share Warrants remain exercisable, it will at all times keep available and reserved such part of its authorized but un issued Share Capital as would enable all outstanding Warrants to be satisfied in full.

RESOLVED FURTHER THAT the Board be and is hereby authorized in its entire discretion to decide to proceed with the issue of the Share Warrants, to finalize the list of allottees, including the size and relative components of the same, and for the purpose of giving effect to this issue or allotment of Share Warrants or Shares, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may at its discretion deem necessary or desirable for such purpose, including but without limitation, appointment of consultants, solicitors, merchant bankers or any other agencies as may be required and entering into arrangements for listing, trading, depository services and such other arrangements and agreements, as may be necessary and also to seek listing of the Equity Shares representing the same in any Stock Exchange(s) with power on behalf of the Company, to settle any questions, difficulties or doubts that may arise in regard to any such issue, offer or allotment of Warrants/Equity Shares and in complying with any Regulations, as it may in its absolute discretion deem fit, without being required to seek any further clarification, consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such number of Equity Shares as may be required to be issued and allotted upon conversion of the Share Warrants and that the said Equity Shares shall rank in all respects *pari passu* with the existing Equity Shares of the Company including payment of dividend.

RESOLVED FURTHER THAT the Board of Directors be authorized to deal with any issue arising out of the proposed issue including powers to dispose off the Warrants not exercised in any manner whatsoever and powers to refund the application monies on account of the unexercised Warrants to the Warrant holders in cases of exigencies and if the same be in the best interest of the Company.

RESOLVED FURTHER that the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or Officer(s) of the Company to give effect to this resolution."

By Order of the Board

V. RANGANATHAN
MANAGING DIRECTOR

Place : Bangalore
Date : 30.11.2009

NOTES:

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to vote instead of himself/herself and the proxy appointed need not be a member. The duly filled in proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the meeting.
2. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of item no. 5 to 13 are annexed herewith.
3. For the convenience of the Members and for proper conduct of the meeting, entry to the place of meeting will be regulated by an Attendance Slip, which is forwarded as detachable part of Annual Report. Members are requested to affix their signature at the place provided in the Attendance Slip and hand it over at the entrance.
4. Members, who hold shares in dematerialized form, are requested to bring in their Client ID and DP ID nos. for easier identification of attendance at the meeting and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the meeting.
5. A member desirous of getting any information on the accounts or operations of the Company is requested to forward his/her queries to the Company at least 7 days prior to the meeting, so that, the required information can be made available at the meeting;
6. Members holding shares in physical form are requested to notify immediately any change in their address to the Company's Registrar and Transfer Agent, Karvy Computershare Private Limited. Members holding shares in electronic form may intimate any such changes to their respective Depository participants (DPs).
7. Members holding more than one share certificate in different folios are requested to kindly apply for consolidation of the folios and send the relative share certificates to the Company's Registrar and Share Transfer Agent, Karvy Computershare Private Limited, (Unit: Cerebra Integrated Technologies Limited), Plot No 17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad - 500 081.
8. Listing fee has been paid to the Stock Exchanges up to date.
9. The Company's Shares are traded in electronic form with ISIN No. INE345B01019.
10. The Register of Members and the Share Transfer Books will remain closed on 30.12.2009 in connection with the Annual General Meeting.
11. Members are kindly requested to bring Annual Report 2008-09 along with them to the Annual General Meeting, since extra copies will not be supplied at the meeting.
12. Pursuant to Section 205A (5) of the Companies Act, 1956, as amended, any money transferred to Unpaid Dividend Account and remaining unclaimed for a period of 7 (seven) years from the date of such transfer to the Unpaid Dividend Account shall be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government, and thereafter, the Shareholders shall not be able to claim any Unpaid Dividend from the said fund or from the Company. This information is included for the benefit of the Shareholders for future purposes.
13. The Shares of the Company are compulsorily traded in electronic form. The Members are requested to forward all applications for transfer and all other shares related correspondence, including intimation for change of address, if any, to the Registrars and Transfer Agent of the Company at the following address:

Karvy Computershare Pvt. Ltd.
Plot No 17 to 24 Vittal Rao Nagar,
Madhapur, Hyderabad - 500 081
Fax - 040-23420814
Phone: 040 - 23420818 - 824
14. Pursuant to SEBI notification no. MED/ DOP/ Circular/05/2009 dated May 20, 2009, it has become mandatory for the transferee(s) to furnish copy of PAN Card to the Company/RTA to enable/effect transfer of Shares in physical form.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956:

Item No. 5 : Change of Main Objects:

In view of the present technological and industrial development, it is in the interest of the Company and its Shareholders that the activities of the Company be diversified. The alteration in the objects clause of the Memorandum of Association as set out in the resolution is to facilitate diversification. This will enable the Company to carry on its business economically and efficiently and Company undertakes to earn more than 50% of revenue from business related to E-Waste Management and related activities. This will also enlarge the area of operation of the Company.

Your Directors recommend the passing of the Resolution as a Special Resolution.

None of the Directors of the Company are interested in this Resolution.

Item No. 6, 7, & 8:

Shareholders may notice the significant growth achieved by the Company in the last few years. Many milestones were crossed and the Company is in a rapid growth mode. There are major Business Plans envisaged involving larger capital outlays. Therefore, it is proposed to increase the Authorised Capital to facilitate issue and allotment of additional Shares. The present Authorized Capital of the Company of Rs.18 Crores needs to be increased to Rs.45 Crores. Accordingly, alterations to the Memorandum and Articles of Association of the Company are proposed to give effect thereof.

Your Directors seek your approval for the increase of Capital and the consequential alterations in the Memorandum of Association and Articles of Association of the Company.

None of the Directors is concerned or interested in these resolutions.

Item No. 9:

Your Company proposes to make investment in the Equity Shares of Enviro Metals Waste Management India Pvt. Ltd. to make this a 100% subsidiary i.e. Wholly Owned Subsidiary(WOS) of Cerebra Integrated Technologies Limited. The investments may exceed the limits prescribed under Section 372A of the Companies Act, 1956.

Section 372A of the Companies Act, 1956 requires approval of the Shareholders by way of Special Resolution for investment in the Equity Shares of another body corporate beyond the limits specified in the said Section.

Looking into the previous business association, your Company proposes to make investment at the face value of Rs. 10/- per Share in Enviro Metals Waste Management India Pvt. Ltd. as referred to, in the notice.

The Special Resolution set out in the Notice is recommended for the approval of the Shareholders.

None of the Directors is concerned or interested in the resolution.

Item Nos. 10, 11, 12, 13, 14, 15 & 16:

Your Company and its subsidiary have been rapidly expanding their business presence both in India and abroad.

With various business opportunities, in-depth study was carried out by your Company engaging Consultants / Experts in the field of E-Waste Management.

It will certainly not be an exaggeration to state that globally the usage of any home appliances, communication equipments, computer accessories and hand/cell phones and other electronic gadgets involving plastic as components has been rising exponentially. Very few Technical Enterprises have come out with any kind of solution against the disposal of waste plastic materials and recycling thereof.

Your Company has identified leading Technology Enterprise in this field which has immense experience. In the last few months, your Company carried out deep research and concluded that setting up a State of the Art Plant for E-Waste and Recycling in India along with suitable marketing and business tie ups will be quite profitable venture,

synergic in line with the business of your Company and therefore, your Company has decided to establish the facilities at an estimated cost of about Rs. 50 Crores. Your Directors draw kind attention of all the Shareholders to the serious concern by various Governments worldwide on this hazardous and environmental problem.

Meanwhile, Plant and Machinery, Technology Supply services were identified with the technical support of Cimelia Resource Recovery Pte Ltd.

In order to avoid any loss of time, your Company has decided to acquire 100% Shares in Enviro Metals Waste Management India Pvt. Ltd. which has already got about three (3) acres of industrial land in prime locations at the outskirts of Chennai Metro, India, 20,000 square feet of Building, 600 amp Power supply, and license to set up E-Waste plant in India.

All the Shareholders are aware of the revival achieved by the Company. Your Company came out of the clutches of debts. The entire project cost of E-Waste and Recycling is proposed to be funded by way of Equity and Cash and immense efforts have been infused in working out the project cost financials, finance needs, profitability etc.

Subject to such approvals including the approval from Government of India – FIPB, resolutions in the notice provide for issue of Equity Shares as follows:

- 46,00,000 Equity Shares to Enviro Metals Waste Management India Pvt. Ltd.
- 46,00,000 Equity Shares to Scenic Overseas Limited.
- 23,00,000 Equity Shares to Leytron Technology Pte. Ltd.
- 23,00,000 Equity Shares to Cimelia Resource Recovery Pte Ltd.
- 21,97,500 Equity Shares to certain strategic Investors.

The value of Equity Shares to be allotted by the Company to the proposed allottees under resolutions 11, 12 & 13 being the consideration on behalf of Enviro Metals Waste Management India Pvt. Ltd. will be dealt with as per prevailing accounting practices including being deemed as loans from the Holding Company to its 100% Subsidiary.

It is also proposed to issue Share Warrants to the Promoters and to certain Strategic Investors.

The expansion plan of the Company and its subsidiary requires funds at short notice and the Board felt it essential to have funds available with the Company in advance. Hence, the proposals with the terms and conditions are placed before the members for approval.

The details are as under:

Objects of the Issue

To partly fund the approval /expansion/diversification, R&D activities for the e-waste management and other related products of the Company and its subsidiaries and working capital needs.

The existing Promoters and Management Team will continue to remain in the management of the Company as in the past without any changes. Further, the composition of the present Board of Directors will remain unaltered

Shareholding pattern before and after the offer proposed at Resolution No. 10, 11, 12, 13 & 14 and based on the Shareholding pattern as on 30.11.2009 is as under:

For Equity Shares:

CAT	CODE DESCRIPTION	PRE ISSUE		POST ISSUE	
		No of Shares	% of Holdings	No of Shares	% of Holdings
[A]	PROMOTERS & PROMOTER GROUP				
1	INDIAN				
A	Individual / HUF	792982	5.26	792982	2.55
	Sub-Total A[1]	792982	5.26	792982	2.55
2	FOREIGN				
A	Individuals [NRIs/Foreign Individuals]	0	0	13800000	44.43
	Sub-Total A[2]			13800000	44.43
	TOTAL A=A[1]+A[2]	792982	5.26	14592982	46.98
[B]	PUBLIC SHAREHOLDING				
1	INSTITUTIONS				
[a]	Mutual Funds / UTI	0	0	0	0
[b]	Financial Institutions / Banks	0	0	0	0
[f]	Foreign Institutional Investors	0	0	0	0
	Sub Total B[1]	0	0	0	0
2	NON - INSTITUTIONS				
[a]	Bodies Corporate	7259046	48.19	9061546	29.17
[b]	Individuals				
[i]	Individuals holding nominal share capital up to Rs.1.00 lacs	2753167	18.28	2832167	9.12
[ii]	Individuals holding nominal share capital in excess of Rs.1.00 lacs	4065899	26.99	4065899	13.09
[c]	Others				
	HUF	0	0	0	0
	Non Resident Indians	136725	0.9	452725	1.46
	Trusts	0	0	0	0
	Foreign Nationals	0	0	0	0
	Clearing Members	56113	0.37	56113	0.18
	Sub Total B[2]	14270950	94.74	16468450	53.02
	TOTAL B=B[1]+B[2]	14270950	94.74	16468450	53.02
	TOTAL [A+B]	15063932	100	31061432	100

Shareholding pattern before and after the offer proposed at Resolution No. 15 & 16 and based on the Shareholding pattern as on 30.11.2009 is as under:

For Equity Warrants:

CAT	CODE DESCRIPTION	PRE ISSUE		POST ISSUE		After conversion of 10755000 Share Warrants proposed to be allotted to the Promoters of the Company & Strategic investors vide Resolution No. 15 & 16	
		No of Shares	% of Holdings	No of Shares	% of Holdings	No of Shares	% of Holdings
[A]	PROMOTERS & PROMOTER GROUP						
1	INDIAN						
A	Individual / HUF	792982	5.26	792982	2.55	2292982	5.48
	Sub-Total A[1]	792982	5.26	792982	2.55	2292982	5.48
2	FOREIGN						
A	Bodies Corporate	0	0	13800000	44.43	13800000	33.00
	Sub-Total A[2]			13800000	44.43	13800000	33.00
	TOTAL A=A[1]+A[2]	792982	5.26	14592982	46.98	16092982	38.48
[B]	PUBLIC SHAREHOLDING						
1	INSTITUTIONS						
[a]	Mutual Funds / UTI	0	0	0	0	0	0
[b]	Financial Institutions / Banks	0	0	0	0	0	0
[f]	Foreign Institutional Investors	0	0	0	0	0	0
	Sub Total B[1]	0	0	0	0	0	0
2	NON - INSTITUTIONS						
[a]	Bodies Corporate	7259046	48.19	9061546	29.17	17766546	42.25
[b]	Individuals						
[i]	Individuals holding nominal share capital up to Rs.1.00 lacs	2753167	18.28	2832167	9.12	3056667	7.31
[ii]	Individuals holding nominal share capital in excess of Rs.1.00 lacs	4065899	26.99	4065899	13.09	4496399	10.75
[c]	Others						
	HUF	0	0	0	0	0	0
	Non Resident Indians	136725	0.9	452725	1.46	452725	1.08
	Trusts	0	0	0	0	0	0
	Foreign Nationals	0	0	0	0	0	0
	Clearing Members	56113	0.37	56113	0.18	56113	0.13
	Sub Total B[2]	14270950	94.74	16468450	53.02	25723450	61.52
	TOTAL B=B[1]+B[2]	14270950	94.74	16468450	53.02	25723450	61.52
	TOTAL [A+B]	15063932	100	31061432	100	41816432	100

Proposed time limit within which the allotment shall be complete.

Within 15 days from the date of passing of this resolution or within 15 days from the date of receipt of any approval by any regulatory authority or Central Government, whichever is later as per SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time.

The identity of the proposed allottees and the percentage of post preferential issue capital that may be held by the allottees would be as follows.

Annual Report 2008-2009

i. For Equity Shares:

A) STRATEGIC INVESTORS

SL NO	NAME OF THE ALLOTTEES	CATEGORY	PRE ISSUE HOLDINGS	% OF TOAL EQUITY	POST ISSUE HOLDINGS	% OF TOTAL EQUITY
1.	Cimelia E-Waste Recycling Pvt Ltd	PUB	0	0	10,00,000	3.22
2.	Kalisp Realty Private Limited	PUB	0	0	4,00,000	1.29
3.	LPP Developers Private Limited	PUB	0	0	4,00,000	1.29
4.	E N Veeranna	Creditor PUB	0	0	50,000	0.16
5.	Asha Maiya	PUB	0	0	5,250	0.02
6.	Kiran Soni	PUB	0	0	5,250	0.02
6.	Shailendra Kumar Suman	PUB	100000	0.66	1,21,000	0.39
7.	Mythili Kannan	Creditor PUB	36200	0.24	3,52,200	1.13

B) SUPPLIERS.

SL NO	NAME OF THE ALLOTTEES	CATEGORY	PRE ISSUE HOLDINGS	% OF TOAL EQUITY	POST ISSUE HOLDINGS	% OF TOTAL EQUITY
1	Enviro Metals Waste Management India Pvt	Promoter	0	0	46,00,000	14.81
2	Scenic Overseas Limited,	Promoter	0	0	46,00,000	14.81
3	Leytron Technology Pte. Ltd.,	Promoter	0	0	23,00,000	7.40
4	Cimelia Resource Recovery Pte Ltd.,	Promoter	0	0	23,00,000	7.40

ii. For Share Warrants:

a) Promoters.

SL NO	NAME OF THE ALLOTTEES	CATEGORY	PRE ISSUE HOLDINGS	% OF TOAL EQUITY	POST ISSUE HOLDINGS	% OF TOTAL EQUITY
1.	V Ranganathan	Promoter	204165	1.36	504165	1.21
2	Gururaja K Upadhy	Promoter	81796	0.54	381796	0.91
3	P Vishwamurthy	Promoter	117265	0.78	417265	1.00
4	P Bharath	Promoter	18616	0.12	318616	0.76
5	Shridhar S Hegde	Promoter	330640	2.19	630640	1.51

b.) STRATEGIC INVESTORS

SL NO	NAME OF THE ALLOTTEES	CATEGORY	PRE ISSUE HOLDINGS	% OF TOAL EQUITY	POST ISSUE HOLDINGS	% OF TOTAL EQUITY
1.	Aarrkays Energy Systems Private Limited	Pub	266991	1.77	2366991	5.66
2	Damaynti Agarwal	Pub	0	0	42000	0.10
3	C Lakshmi	Pub	0	0	52500	0.13
4	Aadeesh Nahar	Pub	0	0	168000	0.42
5	Agrahar Securites Pvt. Ltd.,	Pub	0	0	105000	0.25
6	Vijayakrishna K T	Pub	3400	0.02	265900	0.64
7	Europlus Capital Limited	Pub	0	0	1500000	3.59
8	kalisp Realty Private Limited	Pub	0	0	2500000	5.98
9	LPP Developers Private Limited	Pub	0	0	2500000	5.98
10	Shameen Jan	Pub	0	0	25000	0.06

Issue Price.

The issue price of Rs. 10/- per Equity Share is in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, and for the purpose of the above guidelines, the Relevant Date is 30.11.2009.

Auditor's Certificate.

A copy of the Certificate of the Statutory Auditors of the Company certifying the adherence to SEBI Guidelines for preferential issues, under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 for the proposed issue is open for inspection at the Registered Office of the Company till the last date of Annual General Meeting.

- h. The Equity Shares shall be locked in for such period as prescribed by SEBI Guidelines.

The approval of the Shareholders is sought pursuant to Section 81(1A) of the Companies Act, 1956, Listing Agreement with the Stock Exchanges and in terms of the SEBI Guidelines to the issue of the Warrants as set out in the Resolution.

The Resolution set out in the Notice is recommended for the approval of the Shareholders.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION AT THE ANNUAL GENERAL MEETING:

1. Mr. T. S. Suresh Kumar
Date of Birth: 17.11.1966
Qualification: B Sc.
Expertise:Independent Director
No. of Board Meetings attended during the year: 05
2. Mr. P. E. Krishnan
Date of Birth: 13.01.1965
Qualification: B Com.
Expertise:Independent Director
No. of Board Meetings attended during the year: 03

CEREBRA INTEGRATED TECHNOLOGIES LIMITED

Regd Off. #S-5, off 3rd Cross, I Stage, Peenya Industrial Area, Bangalore - 560 058

DIRECTORS' REPORT

Your Directors present their Fifteenth Annual Report together with the audited Balance Sheet and Profit and Loss Account for the year ended 30th September, 2009.

FINANCIAL RESULTS

(Rs. in lakhs)

Particulars	2008-09	2007-08
Total Income	5046.91	1646.79
Total Expenditure	4876.23	1517.77
Operating Profits (PBIDT)	170.68	129.02
Interest	3.82	6.21
Depreciation	20.55	16.30
Profit Before Extra Ordinary Income	146.31	106.51
Extra Ordinary Income	0	878.94
Provision for Tax – Current	0	0.72
Profit after Current Tax but before Deferred Tax	146.31	984.73
Deferred Tax		-
Profit available for appropriations/(Loss)	146.31	984.73

REVIEW OF OPERATIONS:

After a period of 5 years, your Board is pleased to report that the efforts infused in all directions to revive the Company have initiated to yield results. Shareholders will note that the Financial Results validate the performance of the Company. Substantially higher growth coupled with robust enhanced profits have instilled tremendous confidence in Team Cerebra. The Company during the year executed orders in the hardware sector. The Company has entered into contracts with some companies on Electronic Manufacturing Services (EMS) and job work for its EMS Division. Your Company explored the opportunities and started operations in the areas of Legal Process Outsourcing, Medical Transcription etc., for its IT/ITeS division.

The Company was discharged by BIFR Your Company has no borrowings from any Bank(s) or Financial Institution(s).

EXPANSION PLAN:

Having exited from the purview of Board for Industrial and Financial Reconstruction (BIFR), your Company has reverted back to the profitable position. The Board having felt that the time has come to expand or diversify took serious initiatives towards this direction. After careful and in-depth study, it was decided to synergically set up electronic recycling plant for E-Waste Management. Your Company with the technical support of an overseas Technology Enterprise will initiate the business accordingly in this direction.

The Directors seek your approvals to various resolutions enabling the setting up of the business. From time to time, Investors will be updated on the process.

ITES DIVISION:

With a view to have clear cut demarcation of segments, your Directors after in-depth evaluation, decided to hive off the Information Technology Enabled Services (ITES) business of the Company to its subsidiary namely Cerebra LPO India Limited pursuant to Section 293 (1)(a) of the Companies Act, 1956. Directors hereby seek your approval for the same through Postal Ballot pursuant to Section 192A of the Companies Act, 1956, for which relevant documents have been already forwarded to you.

DIVIDEND:

Your Directors regret to inform you that no dividend is declared for the year-ended 30.9.2009 in view of the Company requiring its profits to be ploughed back in view of the expansion program and to meet working capital needs.

DIRECTORS:

Mr. T. S. Suresh Kumar and Mr. P. E. Krishnan, Directors, retire by rotation. In accordance with the Companies Act, 1956 and Articles of Association of the Company and being eligible, offer themselves for re-appointment.

FIXED DEPOSITS:

Your Company has neither accepted nor renewed any Fixed Deposits during the year ended 30th September, 2009.

AUDIT COMMITTEE

Audit Committee constituted by the Board of Directors with requisite composition to fall in line with the prevailing laws continued to discharge its functions during the year under report.

AUDITORS:

Messrs. M S Reddy & Associates, Chartered Accountants, Bangalore, Auditors of the Company retire at the end of forthcoming Annual General Meeting and are eligible for appointment.

Auditors observations: regarding comments of the Auditor in their report dated 30.11.2009 the explanation of the Directors are as follows:

- a) The management is hopeful of recovering the amount from debtors and hence no provision was made.
- b) The Directors and the management is in the process of obtaining confirmations.

PARTICULARS OF EMPLOYEES:

There was no employee drawing remuneration in excess of the limits prescribed under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of employees) Rules, 1975.

DEPOSITORY SYSTEMS

Your Company continues with an arrangement with National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialization of your Company's securities in accordance with the provisions of the Depositories Act 1995, which are fully operational and members may avail of such facilities. With this, the members have an option / discretion to hold their Demat shares in the Company through National Securities Depositories Limited and/or Central Depository Services (India) Limited.

COMPLIANCE OF STOCK EXCHANGE FORMALITIES:

Your Company has fully complied with the Listing formalities of all the Stock Exchanges where the Company's shares are listed. Your Directors have taken necessary action in connection with the Guidelines/Regulations issued by Securities and Exchange Board of India (SEBI) on Insider Trading.

ACCOUNTING STANDARDS:

The Company has followed the mandatory Accounting Standards for preparation of Financial Statements for the year ended September 30, 2009.

CORPORATE GOVERNANCE:

The Company has complied with all the recommendations of Corporate Governance Code as provided in Clause 49 of the Listing Agreement. A detailed report on Corporate Governance has been included separately in the Annual Report.

Annual Report 2008-2009

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information pursuant to Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 is Nil.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

Foreign Exchange Earnings: Rs. 50.93 Lakhs

Foreign Exchange Outgo: Rs. Nil

DIRECTORS' RESPONSIBILITY STATEMENT:

As per Section 217(2AA) of the Companies (Amendment) Act, 2000 your Directors hereby confirm that -

- In the preparation of these annual accounts, the applicable accounting policies and standards are followed, as issued by the Institute of Chartered Accountants of India (ICAI) and the requirements of the Companies Act, 1956, to the extent applicable. No material departures are noticed from the prescribed accounting standards;
- The accounting policies are consistently applied and reasonable, prudent judgment and estimates are made so as to give a true and fair view of the state of affairs of the Company as at the end of the year ended September 30, 2009 and of the "Profit/(Loss)" of the Company for that year;
- The accounts for the year-ended 30.9.2009 have been prepared on a system of historical cost, on a going concern and on accrual basis;
- Proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud, errors and other irregularities;
- Financial Statements have been audited by Messrs. M S Reddy & Associates, Chartered Accountants, Bangalore, being the Statutory Auditors of the Company.

UNUSUAL ITEMS AFTER THE YEAR END DATE:

In the opinion of the Directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which would affect substantially the results of the operations of the Company and for the financial year in which this report is made.

ACKNOWLEDGEMENTS:

Your Directors thank the Shareholders/Investors for their response and confidence, Customers, Vendors, Bankers, Channel Partners, Software Technology Park of India, the various Central Government Departments and State Government Departments for their invaluable co-operation and support for your Company's survival.

For and on behalf of the Board

Place: Bangalore

Date: 30.11.2009

V Ranganathan
Managing Director

Gururaja K Upadhya
Director Technical

REPORT ON CORPORATE GOVERNANCE (In terms of recommendations by SEBI)**INTRODUCTION**

As reported in the last Annual Report, your Company has implemented and complied with the Corporate Governance Code recommended by the Securities and Exchange Board of India (SEBI). Your Company shall always be managed with the principles of Good Corporate Governance with a view to enhance overall Shareholder value and to run the business effectively to achieve its corporate objectives.

I. BOARD OF DIRECTORS

A. The Board of Directors of the Company has 4 Executive and 3 Non-Executive Independent Directors.

After due circulation of agenda and notes thereon, the Board of Directors have met at reasonable periods of intervals to transact business on various Board's functions, responsibilities and accountabilities. Compliances of various Laws and Regulations along with the Corporate Philosophy, goal, plans and strategies have been dwelt at length by the Board at its various proceedings.

The details of the Directors' attendance at the meetings of the Board of your Company during the year ended 30.9.2009 are given below:

Sl. No.	Name	Designation	No. of Board Meeting held	No. of Board Meetings attended
Executive Directors				
1.	V Ranganathan	Managing Director	05	05
2.	Gururaj K Upadhya	Director - Technical	05	05
Whole Time Directors				
3.	Shridhar S Hegde	Director	05	05
4.	P Vishwamurthy	Director	05	05
Non-Executive and Independent Directors				
5.	Suresh Kumar T S	Director	05	05
6.	P E Krishnan	Director	05	03
7.	S Gopalakrishnan	Director	05	05

All the Directors attended the Fourteenth Annual General Meeting. No Extraordinary General Meeting was held during the year under report.

II. AUDIT COMMITTEE

The functions of Audit Committee are as follows:

- To oversee the Company's financial reporting process and disclosure of its financial information;
- To recommend the appointment of statutory auditors and fixation of the audit fee;
- To review and discuss with the auditors about internal control systems, the scope of audit including the observations of the Auditors, adequacy of the internal audit function, major accounting policies, practices and entries;
- Compliance with accounting standards;
- Compliance with the Stock Exchange and legal requirements concerning financial statement and related party transactions, if any;
- To review the Company's financial and risk management policies;
- Discuss with the internal auditors any significant findings for follow-up thereon;
- To review the quarterly, half yearly and annual financial statement before submission to the Board of Directors.

The committee also meets the management team and reviews the operations, new initiatives and performance of the business units. The minutes of the Audit Committee are circulated to the Board, discussed and taken note of.

The Audit Committee is comprised of the following Directors:

1. Mr. S. Gopalakrishnan – Chairman
2. Mr. T.S. Suresh Kumar – Member
3. Mr. P.E. Krishnan – Member

The details of attendance of the meetings of the Audit Committee for the year ended 30.9.2009 are as follows:

SI No.	Name	No. of meeting held during the year	No. of meetings attended during the year
1.	S Gopalakrishnan	04	04
2.	T S Suresh Kumar	04	04
3.	P E Krishnan	04	02

The Audit Committee reviewed the financial results, accounting and financial controls as well as policies and practices as also internal control and internal audit systems.

III REMUNERATION COMMITTEE

The functions of Remuneration Committee are as follows:

- To review, assess and recommend the appointment of executive and non- executive Director from time to time;
- Periodically review the remuneration package of the executive Directors and recommend suitable revision to the Board;
- To recommend compensation to the non-executive Directors in accordance with the provisions of the Companies Act, 1956;
- To consider and recommend Employee Stock Option Schemes from time to time and to administer and supervise the same.

Remuneration of employees largely consists of base remuneration, perquisites and performance incentives.

The Remuneration Committee consists of the following Directors:

1. Mr. S.Gopalakrishnan – Chairman
2. Mr. T.S Suresh Kumar – Member
3. Mr. P.E.Krishnan – Member

The details of attendance of the meetings of the Remuneration Committee for the year ended 30.9.2009 are as follows:

SI No.	Name	No. of meeting held during the year	No. of meetings attended during the year
1.	S Gopalakrishnan	02	02
2.	T S Suresh Kumar	02	02
3.	P E Krishnan	02	02

Details of Remuneration of all Directors:

(Amount in Rs.)

Sl. No.	Name	Designation	Salary	Sitting fee*
Executive Directors				
1.	V Ranganathan	Managing Director	180,000	NIL
2.	Gururaja K Upadhyaya	Director – Technical	180,000	NIL
3.	Shridhar S Hegde	Director	135,000	NIL
4.	P Vishwamurthy	Director	135,000	NIL
Non-Executive and Independent Directors				
5.	Suresh Kumar T S	Director	NIL	NIL
6.	P E Krishnan	Director	NIL	NIL
7.	S Gopalakrishnan	Director	NIL	NIL

Note: In view of the poor performance, no sitting fee was paid to the Directors.

IV INVESTORS' GRIEVANCES COMMITTEE:

The functions of Investors Grievances Committee are as follows:

- To look into the shareholders complaints, if any and to redress the same expeditiously.
- To approve the request for issue of duplicate share certificates and issue of certificates after split/consolidation.

The Investors Grievance Committee consists of the following:

1. Mr. S. Gopalakrishnan – Chairman
2. Mr. TS Suresh Kumar – Member
3. Mr. P.E. Krishnan – Member

The Sub-Committee duly appointed by the aforesaid Committee met continuously to address the various issues relating to the investors, including non-receipt of Annual Reports, Dividend related issues, Change of addresses, transfers of shares, dematerialization and other related aspects. The Company has also continuously requisitioned the services of an independent Practicing Company Secretary to review the procedures followed by the RTA. No major grievance of any investor was pending as on 30th September, 2009.

None of the Directors of the Company was members in more than 10 committees nor acted as Chairman of more than five committees across all companies in which they were Directors. During 2008-09, no transactions of material nature had been entered into by the Company with the Management or their relatives that may have a potential conflict with interest of the Company.

V. MANAGEMENT

Clause 49 of the Listing Agreement with the Stock Exchanges states the following as regards the Management.

The Company agrees that as part of the Directors' Report or as an addition there to, a Management Discussion and Analysis report should form part of the annual report to the Shareholders. This Management Discussion & Analysis should include discussion on the following matters within the limits set by the Company's competitive position:

- i. Industry structure and developments
- ii. Opportunities and Threats
- iii. Segment wise or Product-wise performance

- iv. Outlook
- v. Risks and concerns
- vi. Internal control systems and their adequacy
- vii. Discussion on financial performance with respect to operational performance
- viii. Material developments on the Human Resources/ Industrial Relations front, including number of people employed

A 'Management Discussion and Analysis of Results of Operations and Financial Condition' report is included hereunder. The report contains all the information specified above.

The Company has a policy under which all the Directors of the Company are required to disclose all material financial and commercial transactions where they have a personal interest to the Board. All the related party transactions are disclosed as Note.16 under Notes to Accounts.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT FOR THE YEAR ENDED 30TH SEPTEMBER 2009:

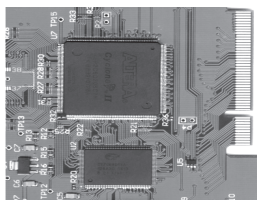
EMS Division

The EMS Division is doing very well. This division has added 10 new customers for EMS and Job work contracts in the last financial year. Our existing customers are extremely satisfied with the work done in this division and has committed long term contracts. Some of the new products in this division that are being manufactured are GPS boxes for a US Based company, we have submitted prototypes for H1N1 test equipment for a Bengaluru based company and we are expecting huge orders for this, we have signed up with a Bengaluru based company for long term manufacture of equipments for military applications.

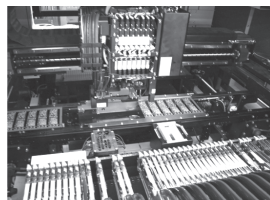
This Division would be going in for major purchase of new equipments for adding in capacity and also an Automatic Online Inspection (AOI) system would be procured to enhance the Quality Check capabilities. All in all this division is poised for tremendous growth in the coming financial year



Assembled PCB



Assembled PCB



**Component Mounting
Process in the Pick &
Place Machine**



**PCB Inspection
Equipment**

Cerebra - ITeS Division

The ITeS Division has shown improved performance. The main areas of concentration are Legal Support Services and Medical Transcription Services.

Legal Support Services (LPO) has made tremendous progress and has won some contracts in the USA and the UK region. The company has bagged orders in the areas of Deposition summarisation, Preparation of Appeals, Preparation of Wills, etc., for Law Firms in the USA. It has bagged a recent order from a Solicitor's office in the U.K., for Legal Transcription and HIP reports. The future of this division is looking bright with partners identified in the UK & USA. This division is also aggressively marketing its services in the USA and has had some good responses. The practice areas include Bankruptcy and Foreclosures, Commercial Litigation, Family Law, Personal Injury, Immigration, Wills and Trusts, Contracts and Agreements, Intellectual Property Laws and International Laws.

We currently offer services to our clients in the legal community which include:

- Preparation of Litigation support documents including pleadings, motions, appeals, notices and other written legal correspondences;
- Case/Statutory Law research document management;
- Case summarisation, deposition summarisation;
- e-discovery services including indexing, codification and annotation;
- Legal Transcription Services;
- Paralegal and secretarial services including: claims processing, document reviews, data mining, billing and accounting;

The revenues of Medical transcription services are increasing exponentially and has closed this year with about 2.7 Million lines transcribed. The future of this division is looking bright and has internally set targets to reach a line count of 9 Million lines this financial year. This will triple the revenues. Plans are to enter the US market through acquisitions and increase the line count further. We currently cater to 80% of the disciplines in Medicine IE., Gastroenterology, Respiratory, Cardiology, Podiatry, Paediatrics, Rheumatology, Ophthalmology, Hematology, Dermatology, Colorectal, Urogynaecology, Academic Surgery, Breast Surgery, Oncology, Urology and so on. The workflow system specifically addresses the medical sector's stringent requirements for confidentiality, security, accuracy and reliability. Correct information becomes quickly available at the point of need, helping reduce considerably admin costs and improve healthcare.

JOINT VENTURES & SUBSIDIARIES CREATED DURING THE YEAR**Cerebra Europe Ltd.**

The Company tied up with Cerebra Europe Ltd. for carrying on the business for marketing of its IT enabled Services in the United Kingdom, eventually may convert this into a subsidiary company of your Company.

Cerebra USA Inc.

Similar arrangements are being explored in USA and tied up with a small establishment. Based on the business development this establishment also will be converted into a subsidiary of your Company

COMPLIANCE OFFICER AND ADDRESS FOR CORRESPONDENCE:

Mr. Shridhar Hegde continues to be the Compliance Officer of the Company. Address of the Registered office of the Company shall be the address for correspondence.

Details of Annual General Meeting (AGM):

Year	Location	Date	Time
2005-2006	Registered Office of the Company	30.12.2006	10 AM
2006-2007	Registered Office of the Company	27.12.2007	10 AM
2007-08	Registered Office of the Company	23-12-2008	10 AM

Means of Communication:

Quarterly results are forwarded to the Stock Exchanges and are made available to the investors.

GENERAL SHAREHOLDERS' INFORMATION:

The following information would be useful to the Shareholders:

1. Annual General Meeting Date and Time: 30th December, 2009 at 11 AM
2. Financial Calendar: 1.10.2008 to 30.9.2009
3. Book Closure Date: 30th December, 2009

National Securities Depository Limited
Central Depository Services Limited

BSE – 532413 ASE – 11235
BgSE – CEREBRA INT CSE – 1333
Demat arrangement with NSDL and CDSL: INE345B01019.

Karvy Computershare Private Limited,
Plot No 17 to 24 Vittal Rao Nagar
Madhapur Hyderabad - 500 081
Phone : 040 - 23420818 - 824 Fax - 040-23420814
Email: sanjayrao@karvy.com

Scrip Code:532413 **Company::**CEREBRA INT **For the Period:**October 2008 to September 2009

Month	High Price	Low Price
October 2008	23	8
November 2008	11.77	7.3
December 2008	10.35	6.71
January 2009	10.7	7.11
February 2009	8.4	5.9
March 2009	8.05	5.5
April 2009	12.8	5.26
May 2009	11.68	7.99
June 2009	11.64	6.88
July 2009	8.53	6.03
August 2009	9.66	7.91
September 2009	11.25	7.2

8. Share Transfer System:

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9. Distribution of Shareholding as at September 30,2009:

Category (Amount)	No. of Cases	% of Cases	Total Shares	Amount	% of Amount
1 - 5000	5832	82.793869	916318	9163180	6.082861%
5001 - 10000	534	7.580920	454265	4542650	3.015581%
10001 - 20000	244	3.463941	401080	4010800	2.662519%
20001 - 30000	105	1.490630	269843	2698430	1.791318%
30001 - 40000	49	0.695627	177744	1777440	1.179931%
40001 - 50000	54	0.766610	262961	2629610	1.745633%
50001 - 100000	78	1.107325	585697	5856970	3.888075%
100001 & Above	148	2.101079	11996024	119960240	79.634082%
TOTAL	7044	100.00 %	15063932	150639320	100.00%

10. Categories of Shareholding as at September 30,2009:

Category	No. Of shares held	% Of holding
Promoters Holding:		
i. Indian Promoters	792982	5.26
ii. Foreign Promoters	0	0
Sub Total	792982	5.26
Non-Promoters Holding:		
i. Mutual Fund and UTI	0	0
ii. Banks, Financial Institutions and Insurance companies	0	0
iii. Bodies Corporate	7259046	48.19
iv. Indian Public	6819066	45.27
v. NRIs/OCBs	136725	0.91
vi. Others –		
HUF	0	0
Clearing Members	56113	0.37
Sub Total	14270950	94.74
Grand Total	15063932	100

11. Dematerialization of shares and liquidity as at 30-9-2009:

Control Report as on 30/09/2009

Description	No of Share Holders	Shares % to	Equity
1. C D S L	1282	5360894	35.59 %
2. N S D L	3987	9342311	62.02 %
3. PHYSICAL	1775	360727	2.39 %
Total	7044	15063932	100.00 %
Comparative position as on 30/9/08			
No. of shares in Physical form	7532006	57.65%	
No. of a Shares in Electronic form	5531926	42.35%	
Total	13063932	100.00%	

12. Number of days taken for dematerialization: 15 days
13. Dematerialization request from 01-10-2008 to 30-09-2009:

No. of Requests :25

No. of shares :3600 (0.02% of the Total Equity)

14. Postal Ballot:

The Company has sought members approval through Postal Ballot to hive off the Information Technology Enabled Services (ITeS) business of the Company to its subsidiary namely Cerebra LPO India Limited pursuant to Section 293 (1) (a).

15. Report on Corporate Governance:

This report together with the information given in Directors Report constitutes a detailed compliance report on Corporate Governance during the current year.

16. Disclosures regarding suspense account pursuant to SEBI circular No. SEBI/CFD/DIL/LA/1/2009/24/04 dated April 24, 2009:

As per the above mentioned Circular, Clause 5A stands for shares issued pursuant to the public issues or any other issue which remain unclaimed and are lying in the escrow account and any unclaimed benefits like Dividend, Bonus Shares etc., which are to be credited to the Demat Suspense Account. This being the first year after the circular coming into force from April 2009, your Company is taking steps to streamline all the requirements.

For and on behalf of the Board

Place: Bangalore

Date: 30.11.2009

V Ranganathan

Managing Director

Gururaja K Upadhya

Director Technical

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

We have examined the compliance of conditions of Corporate Governance by Cerebra Integrated Technologies Limited, for year ended 30.9.2009 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made to us by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance stipulated in Clause 49 of the above mentioned Listing Agreement.

We state that as per the records maintained by the Registrars and Transfer Agents of the Company and presented to the Shareholders/Investor Grievance Committee, no investor grievances received during the year ended 30.9.2009, were remaining unattended/pending against the Company for a period exceeding thirty days.

We further state that such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For M. S. REDDY & ASSOCIATES

Chartered Accountants

Place: Bangalore

Date: 30.11.2009

M. SRIDHAR REDDY

Partner

Membership No. 201103

Certification by CEO (Managing Director)

- I, V. Ranganathan, Managing Director of Cerebra Integrated Technologies Limited, certify that;
1. We have reviewed the financial statements for the year and that to the best of our knowledge and belief:-
 - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - b. These statements give a true and fair view of the state of affairs of the company and the results or operations and cash flows. These statements have been prepared in conformity in all material respects, with the existing generally accepted accounting principles including accounting standards, applicable laws and regulations.
 2. There are, to the best of our knowledge and belief, no transactions entered into by
 - a. The Company during the year, which are fraudulent, illegal and violative of the Company code of conduct.
 3. We accept overall responsibility for the company's internal control system for financial reporting. The Auditors and audit committee are appraised of any corrective action taken with regard to significant deficiencies and material weakness.
 4. We indicate to the Auditors and Audit Committee
 - a. Any significant changes in internal control over financial reporting during the year.
 - b. Significant changes in accounting policies during the year.
 - c. Instances of significant fraud of which we have become aware of and which involve management or other employees who have significant role in the company's internal control system over financial reporting. However, during the year there were no such instances.

BANGALORE
30.11.2009

V. RANGANATHAN
Managing Director

AUDITORS' REPORT

To,
The Members of,
CEREBRA INTEGRATED TECHNOLOGIES LIMITED,
BANGALORE.

1. We have audited the attached balance sheet of CEREBRA INTEGRATED TECHNOLOGIES LIMITED as at 30th September 2009 and Profit and Loss Account for the year ended on the date, annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to above, we report that :
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
 - (iii) The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the companies Act, 1956;
 - (v) On the basis of written representations received from the Directors, as on 30th September 2009 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 30th September 2009 from being appointed as a Director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956;
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - (a) in the case of the Balance Sheet, of the state of affairs of the company as at 30th September 2009;
 - (b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date subject to:
 - a. *In our opinion, the debtors and advances amounting to Rs.5,38,42,469/- are doubtful for which no provision is made.*
 - b. *Sundry Debtors, Creditors and advances are subject to confirmation and reconciliation*

for **M.S.REDDY & ASSOCIATES**

Chartered Accountants

M.SRIDHAR REDDY

Partner.

Membership No. 201103

Date: 30.11.2009

Place: Bangalore.

Annexure to Auditor's Report

Referred to in paragraph 3 of our report of even date, to the members of Cerebra Integrated Technologies Limited, Bangalore on the accounts for the year ended 30 September 2008.

- (i) (a) The company has maintained proper records showing particulars including quantitative details and situation of fixed assets and is to be updated. According to the information and explanations given to us, the programme of verification of fixed assets, which in our opinion, is to be strengthened having regard to the size of the company and the nature of its assets.
- (b) During the period under audit, the company has not disposed off substantial portion of the fixed assets
- (ii) (a) According to the information and explanations given to us, the inventory has not been physically verified by the management.
- (b) In our opinion and according to information and explanations given to us, the procedures of physical verification of inventories followed by the management are not adequate in relation to the size of the company and the nature of its business.
- (c) According to the information and explanations given, the company is not maintaining proper records of inventory. We are informed that the discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) (a) According to information and explanations given to us, the company has taken advance from four parties listed in the register maintained u/s 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.12.99 lakhs and the year end balance of advance received from such parties was Rs.11.86 Lacs.
- (b) According to information and explanations given to us, the company has granted unsecured loan to one company listed in the register maintained u/s 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.141.14 Lacs and the year end balance of loan granted to such party was Rs.123.14 Lacs.
- (c) According to information and explanation given to us, no interest paid / payable in respect of advances received from the parties listed in register maintained u/s 301 of the Companies Act, 1956. No interest was charged in respect of Unsecured Loan given by the Company to the Borrower Company.
- (d) The payment of principal and interest in respect of unsecured loan given are not regular.
- (e) During the year, the Company has not provided for bad debts amounting to Rs.2.00 lacs in respect of loan given to the Company Listed in the register maintained u/s 301 of The Companies Act, 1956
- (iv) In our opinion and according to the information and explanations given to us, the internal control procedures are to be strengthened commensurate with the size of the company and the nature of its business for the purpose of inventory and fixed assets and for sale of goods. According to information and explanations given to us, there is no continuing failure to correct major weaknesses in the system.
- (v) (a) According to the information and explanations given to us, during the year under audit, the transactions that need to be entered in those registers pursuant to Sec 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, no transactions were made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the companies Act 1956 and exceeding the value of rupees five Lakhs in respect of any party during the year.
- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted deposits from public.
- (vii) In our opinion and according to the information and explanations given to us, the scope of internal audit is to be increased commensurate with the size of the company and the nature of its business.
- (viii) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the companies act,1956 for the company.

- (ix) (a) The company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Excise Duty applicable to it. The arrears of outstanding statutory dues as at 30.9.09 for a period more than six months from the date they became payable are given below:

Income Tax Payable	368,635/-
Sales Tax Payable	184,899/-
Excise Duty	2,809,259/-
Professional Tax	74,723/-

- (b) According to the information and explanation given to us, the Sales Tax dues amounting to Rs.9,24,282/- have not been deposited on account of appeal pending at Karnataka State Tribunal and Income Tax demand of Rs.15,99,914/- on account of pending approval of BIFR scheme.
- (x) The company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year. The net worth of the company is positive as at the year end. The accumulated losses of the company are more than fifty percent of its net worth.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to Banks as at the year end.
- (xii) According to the information and explanation given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund or a *nidhi*/mutual benefit fund/society. Therefore the provisions of clause 4 (xiii) of the companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion and according to the information and explanations given to us, there were no transactions and contracts in respect of dealing or trading in shares, securities and other investments. Investments have been held by company in its own name.
- (xv) According to the information and explanation given to us, the company has not given guarantee for loans taken by others from banks or financial institutions.
- (xvi) According to the information and explanation given to us, the company has not drawn term loans during the period under the audit.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, during the year under audit, we report that the funds raised on short term basis have not been used for long term investment. No long term funds have been used to finance short term assets.
- (xviii) According to the information and explanations given to us, the company has made preferential allotment of shares to parties covered in the register maintained under section 301 of the Companies Act, 1956. In our opinion, the price at which shares have been issued is not prejudicial to the interest of the Company.
- (xix) According to the information and explanations given to us, during the period covered by our audit report, the company had not issued any debentures.
- (xx) During the period under audit, the company has not raised money by public issue.
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For **M.S.Reddy & Associates**
Chartered Accountants

M. SRIDHAR REDDY
Partner.

Membership No. 201103

Date: 30.11.2009
Place: Bangalore.

CEREBRA INTEGRATED TECHNOLOGIES LIMITED**BALANCE SHEET AS AT 30.09.2009**

Particulars	Schedule No.	30.9.2009 Rs.	30.09.2008 Rs.
<u>SOURCES OF FUNDS</u>			
Share Holder's Funds			
Share Capital	1	150,740,820	130,740,820
Share Application Money		5,643,501	19,357,696
Reserves & Surplus	2	242,157,224	242,157,224
GRAND TOTAL		398,541,545	392,255,740
<u>APPLICATION OF FUNDS</u>			
Fixed Assets	3		
Gross Block		45,868,460	46,775,846
Less Depreciation		26,025,826	24,746,157
Net Block		19,842,635	22,029,690
Investments at Cost	4	352,000	352,000
Current Assets Loans & Advances			
Sundry Debtors	5	373,946,889	104,952,073
Cash and Bank Balance	6	8,958,755	11,039,758
Loans and Advances	7	57,765,505	54,509,195
		440,671,149	170,501,025
Less: Current Liabilities & Provisions			
Current Liabilities	8	289,172,531	42,034,235
Provisions	9	48,524,571	48,597,036
		337,697,102	90,631,271
Net Current Assets		102,974,046	79,869,754
Profit & Loss Account	10	275,372,864	290,004,297
GRAND TOTAL		398,541,545	392,255,740
Significant Accounting Policies & Notes to Accounts	19		

The Schedules referred to above form an integral part of the Balance Sheet

As per our Audit Report of Even Date

for and on behalf of the Board of Directors

for M.S.REDDY & ASSOCIATES

Chartered Accountants

M.Sridhar Reddy

Partner

Membership No. 201103

V. Ranganathan

Managing Director

Gururaja K Upadhya

Director

PLACE: BANGALORE

DATE: 30.11.2009

CEREBRA INTEGRATED TECHNOLOGIES LIMITED

PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 30.09.2009

INCOME	SCHEDULE	30.09.2009	30.09.2008
Sales and Services	11	503398844	164253589
Increase(Decrease in stock)	12	0	(289,056)
Other Income	13	1,291,991	714,699
TOTAL		504,690,834	164,679,232
EXPENDITURE			
Materials	15	471,247,636	135,011,197
Manufacturing & Administrative Expenses	16	16,247,496	15,841,601
Marketing Expenses	17	127,791	923,459
Interest and Financial Charges	18	382,737	621,458
Depreciation		2,055,635	1,630,310
TOTAL		490,061,295	154,028,025
Profit Before Extraordinary Items		14,629,539	10,651,207
Add: Extraordinary Income	14	0	87,894,073
Profit/(Loss) Before Taxation		14,629,539	98,545,280
Provision for Taxation			
Fringe Benefit Tax- Reversed		(1,894)	(72,465)
Profit/(Loss) after Tax Transferred to Balance Sheet		14,631,433	98,472,815
Significant Accounting Policies & Notes to Accounts	19		
The Schedules referred to above form an integral part of the Balance Sheet			
Earnings per share			
Basic and Diluted Earnings per share of face value of Rs.10/- each (in Rupees)			0.97
Basic and Diluted Earnings per share of face value of Rs.10/- each (in Rupees) before exceptional items			0.97

As per our Audit Report of Even Date

for and on behalf of the Board of Directors

for M.S.REDDY & ASSOCIATES

Chartered Accountants

M.Sridhar Reddy

Partner

Membership No. 201103

V. Ranganathan

Managing Director

Gururaja K Upadhy

Director

PLACE: BANGALORE

DATE: 30.11.2009

SCHEDULE TO BALANCE SHEET AS AT 30TH SEPTEMBER, 2009

SCHEDULE - 1	30.09.2009 Rs.	30.09.2008 Rs.
SHARE CAPITAL		
Authorised Capital		
18000000 Equity Shares of Rs 10/-each	180,000,000	180,000,000
Issued & Subscribed & Paid Up		
13063932 equity shares of Rs. 10/ each (previous year 72515400)of the above Shares:	150,639,320	130,639,320
I 140000(1998:140000) Equity Shares of Rs 10 each have been allotted as fully Paid bonus Shares by capitalisation of Profits of the previous years.		
II 16153(1998:16153) Equity Shares of Rs 10 each have been allotted as fully paid-up pursuant to a contract without payment being received in cash.		
III 1177400 Equity Shares of Rs 10 each have been allotted as fully paid bonus Shares by capitalisation of the Profits on 4-2-2000		
IV 1479300 equity shares of Rs.10 each have been allotted on 8-5-2000 as fully paid up shares consequent to public issue		
V 1355287 Equity Shares of Rs10/- Each have been allotted on 3.04.2007 as fully paid up Shares consequent to Public Issue		
VI 5812392 Equity Shares of Rs10/- Each have been allotted on 7.02.2008 as fully paid up Shares consequent to Public Issue		
VII 2000000 Warrants converted to Equity Shares Allotted on 4.10.2008 as fully paid up Shares,		
VII. Add Forfeited Shares (amount originally paid on 20300 shares @ Rs. 5/- each)	101,500	101,500
	150,740,820	130,740,820
Schedule 2		
RESERVES AND SURPLUS		
Capital Reserve	1,143,412	1,143,412
Share Premium Account	241,013,812	241,013,812
Total	242,157,224	242,157,224

SCHEDULE TO BALANCE SHEET AS AT 30TH SEPTEMBER 2009

SCHEDULE 3

FIXED ASSETS

Sl. No.	TYPE OF ASSETS	GROSS BLOCK				DEPRECIATION RESERVE				NET BLOCK	
		Rate of Dep %	As at 1.10.08	Additions	Deletions	30.9.2009	As at 1.10.2008	Year Ended 30.09.2009	Deduction	As on 30.09.2009	As on 30.09.2009
1	Energy Saving Equipments	4.75%	1261958	0	0	1261958	1020537	59943		1080480	181478
2	Plant & Machinery	4.75%	21176676	0	0	21176676	10668936	1005892		11674828	9501848
3	Computer/Printers/Software	16.21%	9757843	0	5500	9763343	8225616	255341	0	8480957	1282386
4	Vehicles										
	a Motor Cars/Vans	9.50%	1348918	0	0	1348918	988611	128147	775966	340793	65866
	b Motor Cycles/Scooters	9.50%	61509	0	0	61509	61509	0		61509	0
5	Office Equipments	4.75%	723236	0	0	723236	416916	34354		451269	271967
6	Furniture & Fixtures	6.33%	5431976	0	0	5431976	2051662	343844		2395506	3036470
7	Land	0	200900	0	0	200900	0	0		0	200900
8	Factory Building	3.34%	4638187	0	0	4638187	1166888	154915		1321802	3316386
9	Electrical Installations	3.34%	2174643	0	29373	2204016	145483	73200		218682	1985334
	TOTAL		46775846	0	34873	45868460	24746158	2055637	775966	26025826	19842635
											22029690

	30.09.2009 Rs.	30.09.2008 Rs.
Schedule 4		
INVESTMENTS		
Investment in 200 Equity shares of Sankya Infotech Ltd of Rs. 10/ each fully paid	2,000	2,000
Total Market Value of Investments Rs.Nil (Previous Year Rs.2000)		
Investment in Cerebra LPO Limited 35000 Equity Shares of Rs.10/- Each	350,000	350,000
Total	352,000	352,000
Schedule 5		
SUNDRY DEBTORS		
Unsecured and Considered good		
Sundry Debtors		
Over six months	54,378,055	66,097,917
Others	319,568,833	38,854,155
	373,946,889	104,952,073
Schedule 6		
CASH AND BANK BALANCES		
Cash on Hand	366,446	121,354
Balances with Scheduled Banks		
In Current Accounts	1,468,378	3,589,563
In Deposit Accounts	7,123,931	7,328,840
	8,958,755	11,039,758
Schedule 7		
LOANS AND ADVANCES		
Unsecured and Considered good		
Advances recoverable in Cash or Kind for the value to be received	56,529,595	53,300,285
Balances with Excise Dept	24,115	24,115
Deposits	1,211,795	1,184,795
	57,765,505	54,509,195
Schedule 8		
CURRENT LIABILITIES		
Sundry Creditors	280,454,778	32,583,033
Other Liabilities	8,717,754	9,451,202
	289,172,531	42,034,235

	30.09.2009 Rs.	30.09.2008 Rs.
Schedule 9		
PROVISIONS		
Provision for Fringe Benefit Tax	0	72,465
Provision Bad Debts	48,522,572	48,522,572
Provision for Others	1,999	1,999
	48,524,571	48,597,036
SCHEDULE 10		
PROFIT & LOSS ACCOUNT		
Profit & Loss Account-Opening Balance(dr.)	290,004,297	388,477,112
Less: Balance of Net Profit for the Year	14,631,433	98,472,815
	275,372,864	290,004,297
SCHEDULE 11		
SALES AND SERVICES		
Hardware-Traded items	481,788,112	153,082,340
I T Services	14,166,000	0
Services & others	7,444,732	11,171,249
	503,398,844	164,253,589
SCHEDULE 12		
INCREASE/(DECREASE IN STOCK)		
Opening stock	0	289,056
Closing stock	0	0
Increase/(Decrease) in stock	0	(289,056)
Schedule 13		
OTHER INCOME		
Interest Income	676,430	487,688
Miscellaneous income	615,561	227,011
	1,291,991	714,699
Schedule 14		
INCOME ON ACCOUNT OF LOAN WAIVERS		
SBI Loan Waiver	0	24,921,611
Canara Bank Loan Waiver	0	29,259,530
Interest Waiver of CB and SBI	0	33,712,932
	0	87,894,073
Schedule 15		
MATERIALS		
Purchases		
Trade Goods	471,247,636	135,011,197
	471,247,636	135,011,197

	30.09.2009 Rs.	30.09.2008 Rs.
Schedule 16		
MANUFACTURING & ADMIN EXPENSES		
Power and Fuel	546,405	381,832
Other Direct Expenses	80,357	125,361
Salaries Wages and Bonus	9,527,083	4,617,667
Insurance	17,648	20,675
Repairs & Maintenance	97,881	184,737
Rent	1,200,000	400,000
Rates & Taxes	21,415	461,752
Travelling Expenses	279,307	652,138
Printing & Stationery	42,764	60,077
Telephone Charges	459,084	285,105
Audit Fees	101,000	54,000
Provision for Obsolate investments	0	1,999
Provision for Customs Duty -EPCG	0	112,453
Provision for Bad debts	0	1,310,077
Others	3,229,365	1,808,465
Professional charges	640,452	5,365,263
Audit Expenses	4,735	0
	16,247,496	15,841,601

Schedule 17		
MARKETING EXPENSES		
Selling and Distribution Expenses	10,471	229,188
Advertisement	117,320	694,271
	127,791	923,459

Schedule 18		
INTEREST AND FINANCE CHARGES		
Interest & Financial Charges	382,737	621,458
	382,737	621,458

Schedule 19 Significant Accounting Policies and Notes to Accounts**ACCOUNTING POLICIES****1. SYSTEM OF ACCOUNTING:**

Accounts are prepared on accrual basis under historical cost convention as a going concern and comply with the mandatory Accounting Standards

2. DEPRECIATION:

- a) Depreciation has been provided on assets on straight line method in accordance with the provisions of Schedule XIV of the Companies Act, 1956 except that:
- b) In the case of assets costing less than Rs.5000/- normal rates of depreciation prescribed under Schedule XIV are adopted even though the Companies' Act allows for 100% depreciation on such small value items.

3. INVESTMENTS:

Investments are stated at acquisition cost and provision is made to recognize any decline other than temporary, in the value of investments. During the year some of the investment were provided for and the loss on disposal of these investments have been duly accounted for as capital & trading profit.

4. FIXED ASSETS:

Fixed Assets are stated at cost including expenses related to their acquisition and installation allocable to respective assets.

5. RETIREMENT BENEFITS TO EMPLOYEES:

Gratuity and Leave encashment are accounted for as and when settled.

6. REVENUE RECOGNITION:

- a. Sales include applicable excise duty but excludes Sales tax. Income from sales is recognised upon completion of sale. Warranty charges forming part of the sales are not recognised separately and expenditure incurred in this regard is accounted when incurred. Sales includes inter divisional transfer.
- b. Income from IT services is recognised upon completion of milestones wherever payments are linked to such milestones. In cases where payment are based on completion of each man-hours, man-days, man-month of service rendered, revenue is recognised upon respective completion of the same.

7. INVENTORY:

Raw Materials and components are valued at cost. Work in progress are valued at cost including overheads. Appropriate provisions are made for anticipated losses if any. Finished goods and traded items are valued at cost or Net Realisable Value whichever is lower

8. FOREIGN CURRENCY TRANSACTIONS:

Foreign currencies are normally recorded at the exchange rate prevailing on the date of transaction. Adjustments are made for any variations in the sale proceeds or import payments on conversion into Indian Currency upon actual receipt/payment. Exchange differences arising on foreign currency transactions are recognised as income or expense/ capitalised depending on the nature of transactions, in the year in which they arise.

9. ACCOUNTING FOR CLAIMS & CONTINGENCIES:

Claims raised on the company by Excise, Sales tax, Customs, Income tax and Local Authorities are accounted only when they actually become payable after recourse to all legal remedies available to the company.

10. IMPAIRMENT OF ASSETS

At each Balance Sheet date the management reviews the carrying amounts of its assets and goodwill included in each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing

value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments.

Reversal of impairment loss is recognized immediately as income in the profit and loss account

11. EARNINGS PER SHARE

Basic Earnings per share are calculated by dividing net profit or loss for the year attributable to equity share holders (after deducting attributable taxes and dividend on cumulative preference shares for the year) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity share holders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

12. CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts and payments. The cash flows from regular revenue generating, financing, and investing activities of the company are segregated.

NOTES TO ACCOUNTS

1. Estimated amount of Contracts remaining to be executed on Capital Account and not provided for Rs-Nil (Previous Year Rs. . Nil)

2. Contingent Liabilities in respect of

a) Counter Guarantees given to the bankers for guarantees issued Rs 71.03 lacs Previous Year Rs.71.03.lacs)

b) Disputed demand for Sales tax matters Rs 9.83 lacs (Previous year Rs.9.83 lacs)

c) Disputed demand for Income Tax Matters Rs.16.00 Lacs (Previous year Rs.12.41 Lacs)

3. Auditor's Remuneration

for Statutory Audit Rs. 50,000/- (Previous Year Rs.44,000/-)

for Tax Audit Rs. 50,000/- (Previous Year Rs.10,000/-)

for Certification Rs. 46,000/- (Previous Year Rs. Nil)

for Reimbursement of expenses Nil (Previous year Rs. Nil)

4. Loans & Advances include Rs 123.14.Lacs (Previous Year Rs.121.14.lacs)due from Kranion Technologies Pvt Ltd, a company under the same management. Maximum amount outstanding at any time during the year Rs 123.14 lacs (Previous Year Rs. 21.14 lacs).

5. IMPAIRMENT OF ASSETS

In the view of Accounting standard required by AS-28 " impairment of Assets" ICAI, the company has reviewed its fixed assets and does not expect any loss as on 30.09.2009 on account of impairment.

6. Selling and Distribution expenses include Rs. Nil (previous year Rs. 0.20 Lacs) towards commission to Selling Agents. The company did not have Sole Selling Agents.

7. Directors Remuneration : (Rs.in lakhs)

	2008-09	2007-08
Salary	6.30	1.80
Contribution to Provident Fund	0.44	0.12
Total	6.74	1.92

8. Balances of Sundry Debtors, Advances given to parties, Sundry Creditors and advances received from parties are subject to confirmation.
9. Canara Bank Account was closed and the residual small credit balance was transferred to Miscellaneous Income.
10. During the year 20,00,000 warrants were converted into 20,00,000 Equity shares of Rs.10/- each fully paid up.

11. Cerebra Europe Ltd.

The company has advanced Rs.21.99 Lacs to Cerebra Europe Limited incorporated in United Kingdom including the advance of Rs. 14.29 lacs during the year 2007-08 towards equity participation in the company. Pending allotment of shares in Cerebra Europe Limited the amount is shown under Loans and Advances in Current Assets. The Company tied up with Cerebra Europe Ltd. for carrying on the business for marketing of its IT Services in the United Kingdom, which may eventually be converted into a subsidiary of the company.

12 Cerebra LPO India Limited

A subsidiary company Cerebra LPO India Limited was incorporated to cater to the Legal supporting services. The Company has made the following investments / Loans to the subsidiary company

- a) 35,000/- shares of Rs.10/- each as fully paid up Rs. 3.50 Lacs
- b) Advance towards expenses Rs. 8.96 Lacs

13. Due to micro, small & medium enterprises

As per the records maintained by the company there are no dues to the Micro , small & medium enterprises as on the date of balance sheet.

14. ADDITIONAL INFORMATION PURSUANT TO THE PROVISIONS OF PART II OF SCHEDULE VI TO THE COMPANIES ACT, 1956

- I) Particulars in respect of Licensed/Installed Capacities etc.,

The company is Primarily engaged in Manufacturing, Trading of Computer Systems, Peripherals and I T Services. These activities do not require Industrial Licensing and accordingly information for licensed installed and utilised capacity have not been given.

- I) Particulars in respect of Licensed/Installed Capacities etc.,

The company is primarily engaged in Manufacturing, Trading of Computer Systems, Peripherals and IT Services. These activities do not require Industrial Licensing and accordingly information for licensed installed and utilised capacity have not been given.

	2008-09		2007-08	
	Qty in Nos.	Value in (Rs. Lacs)	Qty in Nos.	Value in (Rs.Lacs)
ii) Production (in No.'s)	Nil	Nil	Nil	Nil
iii) Sales				
A) Manufactured Items	Nil	Nil	Nil	Nil
B) Traded items - Hardware	20840	4892.33	NA	1525.85
iv) Opening and Closing Stocks				
Opening Stock:				
a) Manufactured Items	NA	Nil	NA	Nil
b) Traded Items- (Hardware and Software	NA	Nil	NA	2.03
Closing Stock				
a) Manufactured Items	NA	Nil	NA	Nil
b) Traded Items	NA	Nil	NA	NIL
v) Purchase of Trade Goods	NA	4712.48	NA	1341.66

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vii) Value of Imports on CIF Basis

Raw Materials including customs duties and other charges Rs.Nil (Previous year Rs. Nil)

Trading Materials Including customs duty and other charges Rs. NIL (Previous year Rs. 7.12 Lacs)

	2008-09		2007-08	
	Rs. In Lacs		Rs. In Lacs	
	Value	%	Value	%
viii) Raw Materials & Components:				
Imported	Nil	0	Nil	
Indigenous	Nil	0	Nil	
	Nil	0	Nil	

ix) The amount remitted in Non Resident Stake holders on account of Dividend to their NRE account

Number of Non Resident Share Holders : Nil (Previous year Nil)

Number of Shares held by them : Nil equity shares (previous year Nil equity shares)

Year to which the payment of dividend relates N A

x) Earnings in Foreign Exchange

Export Sales - Software Rs. 50.93 Lacs (Previous year Nil)

Export Sales - Hardware Nil (Previous year Rs.7.87 Lacs)

xi) Expenditure in Foreign Currency:

Raw Materials Nil (Previous Year Nil)

Foreign Travel Nil (Previous Year Rs. 1.67 Lacs)

Others Nil (Previous Year Nil)

15. SEGMENT WISE BUSINESS PERFORMANCE

Particulars	Year Ended 30th September 2009	Previous Year Ended 30th September 2008
(a) Primary segment reporting by business segment:		
I. SEGMENT REVENUE		
a. Hardware	4892.33	1635.73
b. I T Services	141.66	6.81
Total	5033.99	1642.54
Net Income from Operations & Sales	5033.99	1642.54
II. SEGMENT RESULTS		
Profit/ (Loss) before tax and interest:		
a. Hardware	105.12	134.43
b. I T Services	46.47	-21.15
Total	151.59	113.28
Less: Interest and other finance charges	3.83	6.21
unallocable exp. net off unallocable income	1.46	0.56
Profit before tax	146.30	106.51

III. SEGMENT ASSETS

a. Hardware	3950.86	1304.62
b. I T Services	650.05	613.60
Total	4600.91	1918.22

IV. SEGMENT LIABILITIES

a. Hardware	2940.25	461.27
b. I T Services	434.81	443.56
Total	3375.06	904.83

V. CAPITAL EXPENDITURE

a. Hardware	0.00	0.00
b. I T Services	0.35	64.3
Total	0.35	64.3

VI. DEPRECIATION

a. Hardware	14.87	15.14
b. I T Services	5.69	1.16
Total	20.56	16.30

VII. AMORTISATION AND OTHER NON CASH EXPENDITURE

a. Hardware	0	12.00
b. I T Services	0	2.23
Total	0	14.23

b) Secondary segment reporting by geographical segment:
i) Segment-wise revenue:

Revenue from Customers Outside India	50.93	57.12
Revenue from Customers within India	4983.06	1585.42
Total	5033.99	1642.54

ii) Segment-wise Assets:

India	4600.91	1918.22
Outside India	0.00	0.00
	4600.91	1918.22

16. Related Party Disclosure

Cerebra Integrated Technologies Limited
CEREBRA LPO India Limited
Kranion Technologies Private Limited

Holding Company
Fellow Subsidiary Company
Associated Company

Key Management Personal

Name
Designation

V. Ranganathan
K. Gururaja Upadhya
P. Vishwa Murthy
P. Bharath

Managing Director
Director
Director
M D , Kranion Technologies

The Company has the following transaction with related parties

(Rs in Lacs)

	2008-09		2007-08	
	Dr. Rs	Cr. Rs.	Dr. Rs	Cr. Rs.
i. Cerebra LPO India Limited (Subsidiary Co.,)				
Advance paid	8.96	0		
- Balance Receivable	8.96	0		
ii. Kranion Technologies Private Limited				
Receivables	123.14	0.00	121.14	0.00
Transfer of Funds	2.00	0.00	10.88	0.00
iii V Ranganathan				
Advance Received	0.00	0.10	0.00	2.14
Balance payable	0.00	1.93	0.00	2.08
iv. Gururaja K Upadhy Director				
Advance Received	0.00	Nil	0.00	0.98
Balance payable	0.00	3.68	0.00	3.99
v. Vishwamurthy P				
Advance Received	0.00	0.00	0.00	0.00
Balance payable	0.00	3.45	0.00	3.45
vi P Bharath				
Advance Received	0.00	0.00	0.00	0.00
Balance payable	0.00	2.68	0.00	2.68

Remuneration to key management Personal

Amount (Rs)

Name	2008-09	2007-08
V Ranganathan	192444/-	96222/-
Gururaj Upadhy	192444/-	96222/-
Vishwamurthy P	144333/-	-nil-
Shridhar S Hegde	144333/-	- nil -

17. Deferred Tax

The company has not recognised deferred tax asset in view of prudence.

18. Previous Years figures have been regrouped and reclassified wherever necessary to conform to current year's presentation

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30th September 2009

Rs. in lacs

PARTICULARS	30-09-2009	30-09-2008
A. Net profit/(loss) before taxes and extra-ordinary items	14,629,539	10,651,207
Adjustments for		
Depreciation	2,055,635	1,630,310
Interest expenditure(including interdivision finance charges)	382,737	621,458
Interest Income (Including interdivision Finance Charges)	(676,430)	(487,688)
Profit ojn sale of fixed asset	(158,707)	(137,880)
Sundry creditors written back	-	(89,131)
Provision for Bad Debts		1,310,077
Provision for customs duty-EPCG	-	112,453
Provision for Obsolate investments		1,999
Operating profit/(loss) before working capital changes	16,232,775	13,612,805
B. Changes in current assets & current liabilities:	-	
Decrease/(Increase) in Inventories	-	289,056
Decrease/(Increase) in Sundry debtors	(268,994,816)	
	(46,188,353)	
Decrease/(Increase) in Loans & Advances	(3,256,310)	(35,034,755)
Increase/(decrease) in Current Liabilities	247,065,831	(63,004,179)
Cash Inflow/(outflow) from operations	(8,952,520)	(130,325,427)
Interest paid (including interdivision finance charges)	(382,737)	(621,458)
Tax refund	0	
Fringe Benefit tax	1,894	(72,465)
Net cash Inflow/(Outflow) before extraordinary items	(9,333,363)	(131,019,350)
Extraordinary Income		
-Income on account of Loan waivers	-	87,894,073
Net cash Inflow/(Outflow) from operating activities	(9,333,363)	(43,125,277)
C. Cash Flows from Investing Activities:	-	
Interest Income(including interdivision finance charges)	676,430	487,688
Dividend Income	-	0
Purchase of Fixed assets including capital work in progress	(34,873)	(6,430,119)
Sale of fixed assets	325000	210000
Decrease/(Increase) in Investments	-	(350,000)
Sundry creditors written back	-	89131
Net cash Inflow/(outflow) from Investing activities	966,557	(5,993,300)
D. Cash flows from Financing Activities:		
Proceeds from Issue of Shares including share premium	6,285,805	139,417,928
Short term borrowings		-
Repayment of Long term Borrowings	-	(80,691,166)
Dividend paid (including Dividend Tax)		-
Net Cash Inflow/(outflow) from Financing Activities	6,285,805	58,726,762
Net Increase/(Decrease) in Cash & Cash Equivalents	(2,081,001)	9,608,185
Cash & Cash Equivalents as at beginning of the year	11,039,758	1,431,573
Cash & Cash Equivalents as at end of the year	8,958,755	11,039,758

We have verified the above Cash Flow Statement of Cerebra Integrated Technologies Limited for the year ended September 30,2009 prepared by the company and certify that the statement has been derived from the accounts of the company audited by us and has been prepared in accordance with the Stock Exchange Listing requirements.

The Schedules referred to above form an integral part of the Balance Sheet

As per our Audit Report of Even Date

for **M.S.REDDY & ASSOCIATES**

for and on behalf of the Board of Directors

CHARTERED ACCOUNTANTS

M.Sridhar Reddy

V. Ranganathan

Gururaja K Upadhyia

Partner

Managing Director

Director

BANGALORE DATE: 30.11.2009

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To,
The Members of,
CEREBRA INTEGRATED TECHNOLOGIES LIMITED,
BANGALORE.

We have audited the attached Consolidated Balance Sheet of CEREBRA INTEGRATED TECHNOLOGIES LIMITED (the Company) and its subsidiaries (collectively referred to as "the Group") as at 30th September 2009, and the Consolidated Profit and Loss account and the Consolidated Cash Flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management and have been prepared by the Management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. We did not audit the financial statements of certain subsidiaries , whose financial statements/ consolidated financial statements reflect total assets of Rs. 5.00 lakhs as at 30.09.2009, as the case may be , total revenue of Rs.Nil and cash flows amounting to Rs.1.54 lakhs for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion is based solely on the report of other auditors.
2. We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS)21, Consolidated Financial Statements, (AS) 23, According for Investments in Associates in Consolidated Financial Statements, and AS 27, Financial Reporting of Interests in Joint Ventures, as notified by the Companies (Accounting standard) Rules, 2006.
3. Based on our audit as aforesaid , and on consideration of other auditors on the separate financial statements and on the other financial information of the components and to the best of our information and according to the explanations given to us , we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 30th September 2009;
 - (b) in the case of the Consolidated Profit and Loss Account ,of the profit of the Group for the year ended on that date; and
 - (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the group for the year ended on that date subject.

for **M.S.REDDY & ASSOCIATES**
Chartered Accountants

M.SRIDHAR REDDY
Partner.

Membership No. 201103

Date:30.11.2009
Place: Bangalore.

CEREBRA INTEGRATED TECHNOLOGIES LIMITED

CONSOLIDATED BALANCE SHEET AS AT 30.09.2009

Particulars	Schedule No.	As at 30.09.2009
SOURCES OF FUNDS		
Share Holder's Funds		
Share Capital	1	150,740,820
Share Application Money		5,643,501
Reserves & Surplus	2	242,157,224
GRAND TOTAL		398,541,546
APPLICATION OF FUNDS		
Fixed Assets	3	
Gross Block		46,259,057
Less Depreciation		26,103,945
Net Block		20,155,113
Investments at Cost	4	2,000
Current Assets Loans & Advances		
Sundry Debtors		373,946,889
Cash and Bank Balance	5	9,113,641
Loans and Advances	6	56,869,376
		439,929,906
Less: Current Liabilities & Provisions		
Current Liabilities	7	288,276,402
Provisions	8	48,524,571
		336,800,973
Net Current Assets		102,221,773
Profit & Loss Account	9	276,162,659
GRAND TOTAL		398,541,546
Significant Accounting Policies & Notes to Accounts	16	
The Schedules referred to above form an integral part of the Balance Sheet		

As per our Audit Report of Even Date

for M.S.REDDY & ASSOCIATES

Chartered Accountants

M.Sridhar Reddy

Partner

Mem. No. 201103

PLACE: BANGALORE

DATE: 30.11.2009

V Ranganathan

Managing Director

K. Gururaja Upadhya

Technical Director

CEREBRA INTEGRATED TECHNOLOGIES LIMITED
CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 30.09.2009

Particulars	Schedule No.	As at 30.09.2009
Income		
Sales and Services	10	503,398,844
Other Income	11	1,291,991
TOTAL		504,690,834
EXPENDITURE		
Materials	12	471,247,636
Operating & Administrative Expenses	13	17,090,972
Marketing Expenses	14	127,791
Interest and Financial Charges	15	382,737
Preliminary expenses Written off		18,200
Depreciation		2,133,754
TOTAL		491,001,090
Profit/(Loss) Before Taxation		13,689,744
Provision for Taxation		
Fringe Benefit Tax Reversed		(1,894)
Profit/(Loss) for the year before minority interest		13,691,638
Minority Interest - Loss		281,939
Net Profit for the year carried to Balance Sheet		13,973,577
Earnings per share		
Basic and Diluted Earnings per share of face value of Rs.10/- each (in Rupees)		0.97
Basic and Diluted Earnings per share of face value of Rs.10/- each (in Rupees) before exceptional items		0.97
Significant Accounting Policies & Notes to Accounts	16	
The Schedules referred to above form an integral part of the Balance Sheet		
As per our Audit Report of Even Date		
for M.S. REDDY & ASSOCIATES		
Chartered Accountants		
M. Sridhar Reddy	V Ranganathan	
Partner	Managing Director	
Mem. No. 201103		
PLACE: BANGALORE	K. Gururaja Upadhya	
DATE: 30.11.2009	Director Technical	

SCHEDULE TO BALANCE SHEET AS AT 30th September, 2009
SCHEDULE-1**SHARE CAPITAL**

Authorised Capital

18000000 Equity Shares of Rs 10/-each

Issued & Subscribed & Paid Up

13063932 equity shares of Rs. 10/ each (previous year) 150,639,320

72515400)of the above Shares:

50000 Equity shares of Rs.10/- each

Issued & Subscribed & Paid Up

Investment of the Holding Co.,

I 140000(1998:140000)Equity Shares of Rs 10 each have been allotted as fully Paid bonus Shares by capitalisation of Profits of the previous years.

II 16153(1998:16153)Equity Shares of Rs 10 each have been allotted as fully paid-up pursuant to a contract without payment being received in cash.

III 1177400 Equity Shares of Rs 10 each have been allotted as fully paid bonus Shares by capitalisation of the Profits on 4-2-2000

IV 1479300 equity shares of Rs.10 each have been allotted on 8-5-2000 as fully paid up shares consequent to public issue

V 1355287 Equity Shares of Rs10/- Each were been allotted on 3.04.2007as fully paid up Shares consequent to Public Issue

VI 5812392 Equity Shares of Rs10/- Each were been allotted on 7.02.2008as fully paid up Shares consequent to Public Issue

VII 2000000 Warrants Allotted on 3.4.2007 converted to Equity Shares as fully paid up Shares,

VII. Add Forfeited Shares (amount originally paid on 20300 shares @ Rs. 5/- each)

101,500

150,740,820

Schedule 2**RESERVES AND SURPLUS**

Capital Reserve

1,143,412

Share Premium Account

241,013,812

Total

242,157,224

SCHEDULE TO BALANCE SHEET AS AT 30TH SEPTEMBER 2009

SCHEDULE 3
FIXED ASSETS

Sl. No.	TYPE OF ASSETS	GROSS BLOCK				DEPRECIATION RESERVE				NET BLOCK	
		Rate of Dep %	As at 1.10.08	Additions	Deletions	30.9.2009	As at 1.10.2008	Year Ended 30.09.2009	Deduction	As on 30.09.2009	As on 30.09.2008
1	Intangible Asset Software	20%		390597		390597		78119		312478	0
2	Energy Saving Equipments	4.75%	1261958	0	0	1261958	1020537	59943		181478	241421
3	Plant & Machinery	4.75%	21176676	0	0	21176676	10668936	1005892		9501848	10507740
4	Computer/Printers/Software	16.21%	9757843	0	5500	9763343	8225616	255341	0	1282386	1532227
5	Vehicles										
a	Motor Cars/Vans	9.50%	1348918	0	0	408659	988611	128147	775966	65866	360307
b	Motor Cycles/Scooters	9.50%	61509	0	0	61509	61509	0		0	0
6	Office Equipments	4.75%	723236	0	0	723236	416916	34354		271967	306320
7	Furniture & Fixtures	6.33%	5431976	0	0	5431976	2051662	343844		2395506	3380314
8	Land	0	200900	0	0	200900	0	0		200900	200900
9	Factory Building	3.34%	4638187	0	0	4638187	1166888	154915		3316386	3471299
10	Electrical Installations	3.34%	2174643	0	29373	2204016	145483	73200		1985334	2029160
	TOTAL		46775846	390597	942259	46259057	24746158	2133756	775966	20155113	22029690

Schedule 4**INVESTMENTS**

Investment in 200 Equity shares of Sankya Infotech Ltd of Rs. 10/ each fully paid	2,000
Total Market Value of Investments Rs.Nil (Previous Year Rs.2000)	
	2,000

Schedule 5**CASH AND BANK BALANCES**

Cash on Hand	366,446
Balances with Scheduled Banks	
In Current Accounts	1,623,264
In Deposit Accounts	7,123,931
	9,113,641

Schedule 6**LOANS AND ADVANCES**

Unsecured and Considered good	
Advances recoverable in Cash or Kind for the value to be received be received	56,529,595
Balances with Excise Dept	24,115
Deposits	1,211,795
	57,765,505

Schedule 7**CURRENT LIABILITIES**

Sundry Creditors	280,465,808
Other Liabilities	9,613,883
	290,079,690

Schedule 8**PROVISIONS**

Provision for Fringe Benefit Tax	0
Provision Bad Debts	48,522,572
Provision for Others	1,999
	48,524,571

SCHEDULE-9**PROFIT & LOSS ACCOUNT**

Profit & Loss Account-Opening Balance (dr.)	290,004,297
Less: Balance of Net Profit for the Year	13,973,577
Add: Excess Loss of Minority interest	131,939
	276,162,659

SCHEDULE 10**SALES AND SERVICES**

Hardware-Traded items	481,788,112
I T Services	14,166,000
Services & others	7,444,732
	503,398,844

SCHEDULE 11**OTHER INCOME**

Interest Income	676,430
Miscellaneous income	615,561
	1,291,991

Schedule 12**MATERIALS**

Purchases	
Trade Goods	471,247,636
TOTAL	471,247,636

Schedule 13**MANUFACTURING & ADMIN EXPENSES**

Power and Fuel	546,405
Other Direct Expenses	80,357
Salaries Wages and Bonus	9,527,083
Insurance	17,648
Repairs & Maintenance	97,881
Rent	1,200,000
Rates & Taxes	31,415
Travelling Expenses	681,434
Telephone Charges	459,084
Audit Fees	112,030
Provision for Obsolete investments	0
Provision for Customs Duty - EPCG	0
Provision for Bad debts	0
Printing & Stationery	42,764
Others	3,336,034
Business Promotion Expenses	163,536
Professional charges	790,452
Audit Expenses	4,735
Preliminary expenses	18,200
Total	17,109,058

Schedule 14**MARKETING EXPENSES**

Selling and Distribution Expenses	10,471
Advertisement	117,320
Total	127,791

Schedule 15**INTEREST AND FINANCE CHARGES**

Interest & Financial Charges	382,851
Total	382,851

Schedule 16: Significant Accounting Policies and Notes to Accounts**ACCOUNTING POLICIES****1. SYSTEM OF ACCOUNTING:**

Accounts are prepared on accrual basis under historical cost convention as a going concern and comply with the mandatory Accounting Standards

2. DEPRECIATION:

- a) Depreciation has been provided on assets on straight line method in accordance with the provisions of Schedule XIV of the Companies Act, 1956 except that:
- b) Intangible Asset being Software is amortized in the ratio of 1/5th every year
- c) In the case of assets costing less than Rs.5000/- normal rates of depreciation prescribed under Schedule XIV are adopted even though the Companies' Act allows for 100% depreciation on such small value items.

3. INVESTMENTS:

Investments are stated at acquisition cost and provision is made to recognize any decline other than temporary, in the value of investments. During the year some of the investment were provided for and the loss on disposal of these investments have been duly accounted for as capital & trading profit.

4. FIXED ASSETS:

Fixed Assets are stated at cost including expenses related to their acquisition and installation allocable to respective assets.

5. RETIREMENT BENEFITS TO EMPLOYEES:

Gratuity and Leave encashment are accounted for as and when settled.

6. REVENUE RECOGNITION:

- a. Sales include applicable excise duty but excludes Sales tax. Income from sales is recognised upon completion of sale. Warranty charges forming part of the sales are not recognised separately and expenditure incurred in this regard is accounted when incurred. Sales includes inter divisional transfer.
- b. Income from IT services is recognised upon completion of milestones wherever payments are linked to such milestones. In cases where payment are based on completion of each man-hours, man-days, man-month of service rendered, revenue is recognised upon respective completion of the same.

7. INVENTORY:

Raw Materials and components are valued at cost. Work in progress are valued at cost including overheads. Appropriate provisions are made for anticipated losses if any. Finished goods and traded items are valued at cost or Net Realisable Value whichever is lower

8. FOREIGN CURRENCY TRANSACTIONS:

Foreign currencies are normally recorded at the exchange rate prevailing on the date of transaction. Adjustments are made for any variations in the sale proceeds or import payments on conversion into Indian Currency upon actual receipt/payment. Exchange differences arising on foreign currency transactions are recognised as income or expense/ capitalised depending on the nature of transactions, in the year in which they arise.

9. ACCOUNTING FOR CLAIMS & CONTINGENCIES:

Claims raised on the company by Excise, Sales tax, Customs, Income tax and Local Authorities are accounted only when they actually become payable after recourse to all legal remedies available to the company.

10. IMPAIRMENT OF ASSETS

At each Balance Sheet date the management reviews the carrying amounts of its assets and goodwill included in each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments.

Reversal of impairment loss is recognized immediately as income in the profit and loss account

11. EARNINGS PER SHARE

Basic Earnings per share are calculated by dividing net profit or loss for the year attributable to equity share holders (after deducting attributable taxes and dividend on cumulative preference shares for the year) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity share holders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

12. CASH FLOW STATEMENT

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts and payments.

The cash flows from regular revenue generating, financing, and investing activities of the company are segregated.

NOTES TO ACCOUNTS

- Estimated amount of Contracts remaining to be executed on Capital Account and not provided for Rs-Nil (Previous Year Rs. Nil)
- In the view of Accounting standard required by AS-28 "impairment of Assets" the company has reviewed its fixed assets and does not expect any loss as on 30.09.2009 on account of impairment
- Contingent Liabilities in respect of
 - Counter Guarantees given to the bankers for guarantees issued Rs 71.03 lacs (Previous Year Rs.71.03.lacs)
 - Disputed demand for Sales tax matters Rs 9.83 lacs (Previous year Rs.9.83 lacs)
 - Disputed demand for Income Tax Matters Rs.16.00 Lacs (Previous year Rs.12.41 lacs)
- Balance of Sundry Debtors, Advances given to parties, Sundry Creditors and Advances received from parties are subject to confirmation.

5. Impairment of Assets

In the view of Accounting standard required by AS-28 "impairment of Assets" ICAI, the company has reviewed its fixed assets and does not expect any loss as on 30.09.2009 on account of impairment.

6. Particulars of Subsidiary:

Name of the Company	Country of Operation	% of voting powers as on 30.09.09
Cerebra LPO Inida Ltd	India	70%

The contribution of the Subsidiary Company formed during the year is as follows:

Rs. Lakhs			
Name of the Subsidiary Company	Revenue	Net Profit / Loss	Net Assets
Cerebra LPO India Limited	0	(939795)	(439795)

7. Minority Interest

Share of Loss—Current Year	281939
Less: Share Capital	150000
Excess Share of Loss of Minority Interest set off against Holding company's Share	131939

8. DUE TO MICRO, SMALL & MEDIUM ENTERPRISES

As per the records maintained by the company there are no dues to the Micro, small & medium enterprises as on the date of balance sheet.

9. SEGMENT WISE BUSINESS PERFORMANCE

(a) Primary segment reporting by business segment:

I. SEGMENT REVENUE

a. Hardware	4892.33
b. I T Services	141.66
Total	5033.99

0

Net Income from Operations & Sales	5033.99
------------------------------------	---------

II. SEGMENT RESULTS

Profit/(Loss) before tax and interest:

a. Hardware	105.12
b. I T Services	46.47
Total	151.59

Less : Interest and finance charges	3.83
-------------------------------------	------

unallocable exp.net off unallocable income	1.46
--	------

Profit before tax	146.30
-------------------	--------

III. SEGMENT ASSETS

a. Hardware	3950.86
b. I T Services	650.05
Total	4600.91

IV. SEGMENT LIABILITIES

a. Hardware	2940.25
b. I T Services	434.81
Total	3375.06

V. CAPITAL EXPENDITURE

a. Hardware	0.00
b. I T Services	0.35
Total	0.35

VI. DEPRECIATION

a. Hardware	14.87
b. I T Services	5.69
Total	20.56

VII. AMORTISATION AND OTHER NON CASH EXPENDITURE

a. Hardware	0
b. I T Services	0
Total	0

b) Secondary segment reporting by geographical segment:

i) Segment-wise revenue:	
Revenue from Customers Outside India	50.93

Annual Report 2008-2009

Revenue from Customers within India	4983.06
Total	5033.99
ii) Segment-wise Assets:	
India	4600.91
Outside India	0.00
	4600.91

10. Related Party Disclosure

Cerebra Integrated Technologies Limited	Holding Company
CEREBRA LPO India Limited	Fellow Subsidiary Company
Kranion Technologies Private Limited	Associated Company
Key Management Pesonal	

Name	Designation
V. Ranganathan	Managing Director
K. Gururaj Upadhya	Director
P. Vishwa Murthy	Director
P. Bharath	M D , Kranion Technologies

The Company has the following Transaction with related parties

(Rs in Lacs)
2008-09

	Dr. Rs.	Cr.Rs.
i. Cerebra LPO India Limited (Subsidiary Co.,)		
Advance paid	8.96	0
- Balance Receivable	8.96	0
ii. Kranion Technologies Private Limited	Dr. Rs.	Cr.Rs.
Receivables	123.14	0.00
Transfer of Funds	2.00	0.00
iii V Ranganathan		
Advance Received	0.00	0.10
Balance payable	0.00	1.93
iv. Gururaja K Upadhya Director		
Advance Received	0.00	Nil
Balance payable	0.00	3.68
v. Vishwamurthy P		
Advance Received	0.00	0.00
Balance payable	0.00	3.45
vi P Bharath		
Advance Received	0.00	0.00
Balance payable	0.00	2.68

Remuneration to key management Personal

Amount (Rs)

Name	SALARY	PF
V Ranganathan	192444/-	12444/-
Gururaja K.Upadhya	192444/-	12444/-
Vishwamurthy P	144333/-	9333/-
Shridhar S Hegde	144333/-	9333/-

11. **Deferred Tax** The company has not recognised deferred tax asset in view of prudence.

12. Previous Years figures have been regrouped and reclassified wherever necessary to conform to current year's presentation

**CONSOLIDATED STATEMENT OF CASH FLOWS FOR
THE YEAR ENDED 30th September 2009**

Particulars	30.09.2009
A. Net profit/(loss) before taxes and extra-ordinary items	13,689,744
Adjustments for	
Depreciation	2,133,754
Interest expenditure (including interdivision finance charges)	382,737
Interest Income (Including interdivision Finance Charges)	(676,430)
Profit on sale of fixed asset	(158,707)
Preliminary expenses written off	18,200
Operating profit/(loss) before working capital changes	15,389,299
B. Changes in current assets & current liabilities:	
Decrease/(Increase) in Sundry debtors	(268,994,816)
Decrease/(Increase) in Loans & Advances	(2,349,151)
Increase/(decrease) in Current Liabilities	247,065,831
Cash Inflow/(outflow) from operations	(8,888,837)
Interest paid (including interdivision finance charges)	(382,737)
Fringe Benefit tax	1,894
Net cash Inflow/(Outflow) before extraordinary items	(9,269,680)
Extraordinary Income	-
Net cash Inflow/(Outflow) from operating activities	(9,269,680)
C. Cash Flows from Investing Activities:	
Interest Income(including interdivision finance charges)	676,430
Purchase of Fixed assets including capital work in progress	(425,470)
Sale of fixed assets	325,000
Net cash Inflow/(outflow) from Investing activities	575,960
D. Cash flows from Financing Activities:	
Proceeds from Issue of Shares including share premium	6,785,805
Preliminary Expenses	(18,200)
Net Cash Inflow/(outflow) from Financing Activities	6,767,605
Net Increase/(Decrease) in Cash & Cash Equivalents	(1,926,115)
Cash & Cash Equivalents as at beginning of the year	11,039,758
Cash & Cash Equivalents as at end of the year	9,113,643

As per our Audit Report of Even Date

for **M.S.REDDY & ASSOCIATES**
CHARTERED ACCOUNTANTS

M.Sridhar Reddy
Partner
Membership No. 201103

for and on behalf of the Board of Directors

V. Ranganathan
Managing Director

Gururaja K Upadhy
Director

BANGALORE
DATE: 30.11.2009

Auditor's Report to the Members of CEREBRA LPO INDIA LIMITED

We have audited the attached Balance Sheet of **CEREBRA LPO INDIA LIMITED**, as at September 30, 2009 and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In accordance with the provisions of section 227 of the Companies Act, 1956, we report that

1. As required by the Companies (Auditors' Report) Order, 2003, (the Order) (as amended) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to above, we report that:
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
 - d. In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - e. On the basis of written representations received from the directors as on September 30, 2009 and taken on record by the Board of Directors, we report that none of the directors are disqualified from being appointed as a director in terms of Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
 - f. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the significant accounting policies and notes on accounts thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - i) In the case of the Balance Sheet, of the state of affairs of the Company as at September 30, 2009
 - ii) In the case of Profit and Loss Account, of the loss for the period ended on that date; and
 - iii) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

for Ishwar & Gopal,
Chartered Accountants
K V Gopalakrishnayya
Partner

Membership No.: 21748
Place: Bangalore
Date: 30.11.2009

**Annexure to the Auditor's report of even to the Members of
CEREBRA LPO INDIA LIMITED**

i. Fixed Assets

- a. The Company has maintained records showing particulars including quantitative details and situation of fixed assets in respect of intangible assets acquired during the year.
- b. The management has during the year according to a periodical phased program has physically verified the intangible fixed assets. In our opinion the frequency of verification of the fixed assets by the management is reasonable having regard to the size of the Company and the nature of its assets dealt with in the books of account:
- c. During the year substantial part of the assets have not been disposed off by the Company:

ii. Inventory

- a. Since the operations of the company during the period under review do not involve any inventory clause 4 (ii) (a) (b) and (c) of Companies Auditors Report Order 2003 (as amended) is not applicable.

iii. Loans

- a. The Company has not granted any loans to parties listed in the register maintained under section 301 of the Companies Act, 1956. and hence the requirement of clause 4 (iii) (a) (b) (c) and (d) are not applicable to the year under review:
- b. As per the information and explanation given us the Company has not taken any loan from the parties listed in the register maintained register maintained under section 301 of the Companies Act, 1956. and hence the requirement of clause 4 (iii) (e) (f) and (g) are not applicable to the year under review:

iv. Internal Control Procedures

In our opinion and according to the information and explanation given to us there are adequate internal control procedures commensurate with the size of the Company and the nature of the business with regard to purchase of intangible fixed assets. The operations of the Company for the period under review do not involve purchase of inventory or sale of goods and services. During the course of our audit, we have neither come across nor have we been informed of any continuing failure to correct major weakness in the aforesaid internal control procedures:

v. Related Party Transactions

- a. Based on the audit procedures applied by us and according to the information explanation provided by the management, we are of the opinion that there are no particulars of contracts or arrangements which are required to be entered in the register required to be maintained under section 301 if the Act:
- b. According to the information and explanation given to us clause 4 (v) (b) of the Companies Auditors Report Order 2003 (as amended) is not applicable for the period under review.

vi. The Company has not accepted any deposits under the provisions of section 58A, 58AA or any other relevant provisions of the Act and the rules framed there under:

vii. The requirement regarding internal audit is not applicable to the Company for the period under review.

viii. We have been informed that maintenance of cost records have not been prescribed by the Central Government under Section 209(I) (d) of the Companies Act, 1956 for the services of the company:

ix Statutory Liabilities

- a. According to the records, information and explanations provided to us, the Company is generally regular in depositing with appropriate authorities undisputed amount of provident fund. Investor education and protection fund, employee's state insurance, income tax, excise duty, cess and other statutory dues applicable to it. No undisputed amounts payable were outstanding as at 30.09.2009 for a period of more than six month from the date they became payable.

- b.** According to the records, information and explanation provided to us, there were no disputed amounts of sales tax / income tax / wealth tax/ service tax/ excise duty/cess and hence the requirement of this clause is not applicable.
- x.** The Company is registered for a period less than 5 years and hence clause 4 (x) of the Companies Auditors Report Order 2003 (as amended) is not applicable to the Company for the period under review.
- xi.** The Company has not taken any loans from banks / financial institutions or issued any debentures. Clause 4 (xi) of the Companies Auditors Report Order 2003 (as amended) is not applicable to the Company for the period under review.
- xii.** The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, clauses 4(xii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- xiii.** In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/ society. Accordingly, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- xiv.** In our opinion the company is not dealing in or trading in shares, securities, debentures and other investments during the year under audit. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- xv.** As far as we could ascertain, the Company has not given guarantees for loans taken by others from banks or financial institutions and hence the provisions of clause 4(xv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- xvi.** In our opinion and according to the information and explanation given to us, the Company any has not availed any term loans during the period under review. Hence the provisions of clause 4(xvi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- xvii.** According to the information and explanation given to us and an overall examination of balance sheet of the company, we report that the company has not used funds raised from short- term sources for long-term uses.
- xviii.** During the year the Company has not made preferential allotment of shares to individuals covered in the Register maintained under section 301 of the Act.
- xix.** The Company did not have any outstanding debentures during the year:
- xx.** The Company has not raised any money by public issue during the year
- xxi.** Based on the audit procedures performed and information and explanation given to us by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit:

For Ishwar & Gopal

Chartered Accountants,

K.V Gopalakrishnayya

Partner

Membership No: 21748

Place: Bangalore

Date: 30.11.2009

CEREBRA LPO INDIA LIMITED

Balance Sheet as at September 30, 2009

Particulars	Schedule	As at 30.09.2009
I. Sources of Funds:		
Share Holders Funds		
Share Capital	1	500,000
Reserves & Surplus		
Loan Funds		
Secured Loans		
Unsecured Loans		
Total		500,000
II. Application of Funds:		
Fixed Assets:		
Intangible Assets -Software Licenses		390,597
Less: Depreciation/ Amortization		78,119
		312,478
Current Assets, Loans & Advances		
a] Inventories		
b] Sundry Debtors		
c] Cash & Bank Balances	2	154,886
d] Loans & Advances		
		154,886
Less: Current Liabilities & Provisions	3	
a] Current Liabilities		907,159
b] Provisions		-
		907,159
Net current Assets		(752,273)
Miscellaneous Expenditure		
[to the extent not written off or adjusted]		
Preliminary Expenses	4	-
Profit & Loss Account		939,795
Total		500,000
Notes & Additional Information Forming part of Accounts	6	

The Schedules referred to above form an integral part of the Balance Sheet

As per our Report attached

For Ishwar & Gopal,
Chartered Accountants

K.V.Gopalakrishnayya
Partner

Membership No: 021748
PLACE: BANGALORE
DATE: 30.11.2009

For on behalf of the Board

V. Ranganathan
Director

Shridhar .S. Hegde
Director

CEREBRA LPO INDIA LIMITED

PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 30.09.2009

INCOME	SCHEDULE	For the period ended 30.09.2009
Income:		-
		-
Expenditure:		
Operating & Administrative Expenses	5	843,476
Depreciation/ Amortisation of Software licenses		78,119
Preliminary Expenses Written-Off		18,200
Total Expenditure		939,795
Profit/(Loss) for the year		(939,795)
Provision / (Credit) for Taxation		-
Profit After Tax(Loss)		(939,795)
Profit/ (Loss) After Tax carried to Balance Sheet		(939,795)
Weighted average number of shares outstanding of face value of Rs.10 each		
- Basic		25,000
- Diluted		25,000
Earning per share (Loss in Rs)		
- Basic		(37.59)
-Diluted		(37.59)
Notes & Additional Information Forming part of profit & loss account	6	

As per our Report attached

For Ishwar & Gopal,
Chartered Accountants

K.V.Gopalakrishnayya
Partner

Membership No: 021748
PLACE: BANGALORE
DATE: 30.11.2009

For on behalf of the Board

V. Ranganathan
Director

Shridhar .S. Hegde
Director

CEREBRA LPO INDIA LIMITED

Schedules to Balance Sheet

Particulars	Schedule	As at 30.09.2009
Share Capital	1	
Authorised Capital		
50,000 Equity shares of Rs.10 each		500,000
Issued, Subscribed & Paid up :		
50000 Equity shares of Rs.10 each fully paid up		500,000
Total		500,000
(Out of the above 35,000 shares are held by Cerebra Integrated Technologies Limited-Holding Co.,)		
Cash & Bank Balances	2	
Cash in Hand		-
Balance with Scheduled Banks in India		154,886
in Current account		154,886
Current Liabilities & Provisions	3	
A. Current Liabilities		
Advance from Holding Company		896,129
Liability for Expenses		11,030
		907,159
B. Provisions		
Miscellaneous Expenditure	4	
Preliminary Expenses		18,200
Less: Written off during the period		18,200

Schedules to Profit & Loss Account

Particulars	Schedule	For the period ended 30.09.2009
Other operating & Administrative expenses	5	
Audit Fee		10,000
Service Tax		1,030
Bank Charges		114
Travel Expenses		402,127
Business Promotion Expenses		163,536
Professional Service Charges		150,000
Rates & Taxes		10,000
Other expenses		106,669
TOTAL		843,476

CEREBRA LPO INDIA LIMITED
CASH FLOW STATEMENT FOR THE PERIOD ENDED 30.09.2009

Particulars	PERIOD ENDED Rs.	30.09.2009 Rs.
A. Cash Flow from Operating Activities:		
Net Profit / (Loss) before Tax & Extra-ordinary items		(939,795)
Adjustments for :		
Depreciation	78,119	
Preliminary Expenses Written off	18,200	96,319
Operating Profit before Working Capital Changes		(843,476)
Adjustments for:		
Trade & Other Receivables		
Trade Payables	907,159	907,159
Cash generated from Operations		63,683
Taxes paid		-
Net Cash from Operating Activities		63,683
B. Cash Flow from Investing Activities:		
Purchase of Software Licenses	(390,597)	(390,597)
Net Cash used in Investing Activities		(390,597)
C. Cash Flow from Financing Activities:		
Receipt of Share Capital	500,000	
Preliminary Expenses	(18,200)	481,800
Net Cash from Financing Activities		481,800
Net Increase/(Decrease) in Cash Equivalents		154,886
Opening balance of Cash and Cash Equivalents		
Closing balance of Cash and Cash Equivalents		154,886
Net Increase/(Decrease) in Cash Equivalents		154,886

As per our Report attached
For Ishwar & Gopal,
Chartered Accountants

For on behalf of the Board

K.V.Gopalakrishnayya
Partner

V. Ranganathan
Director

Shridhar .S. Hegde
Director

Membership No: 021748
PLACE: BANGALORE
DATE: 30.11.2009

CEREBRA INTEGRATED TECHNOLOGIES LIMITED

BALANCE SHEET ABSTRACT AND GENERAL BUSINESS PROFILE

I. Registration details:

Registration No., 08-15091 State Code 08

Balance Sheet date 30-09-2009

II Capital raised during the year (Amount in Rs. 000)

Public Issue	Nil	Bonus Issue	Nil
Right Issue	Nil	Private Placement	20000

III Position of Mobilization and Deployment of Funds (Amount in Rs.000)

Total Liabilities	:	398542	Total Assets	:	398542
Sources of Funds	:				
Paid Up Capital	:	150741	Secured Loans	:	Nil
Reserves & Surplus	:	242157	Unsecured Loans	:	Nil
Application of Funds					
Net Fixed Assets	:	20155	Investments	:	2
Net Current Assets	:	102222			
Accumulated Losses	:	276163			

IV Performance of the Company (Amount in Rs. 000)

Turnover	:	503398	Total Expenditure	:	491001
Other Income	:	1291			
Profit before Tax	:	13973	Profit after Tax	:	13973
Earnings per share	:	0.97			

V Generic names of principal products:- item code No. (ITC Code) 8471 & 8473

Product Description: Computer, Software, Peripherals, Network and related Products

For and on behalf of the Board

As per our Audit Report of Even date

V. Ranganathan
Managing Director

Gururaja K Upadhya
Director Technical

For **M.S. Reddy & Associates.,**
Chartered Accountants

Place: Bangalore
Dated 30th November, 2009

M. Sridhar Reddy
Partner
Membership No. 201103

CEREBRA INTEGRATED TECHNOLOGIES LIMITED

Regd Off.: # S-5, off 3rd Cross, I Stage, Peenya Industrial Area, Bangalore - 560 058

ATTENDANCE SLIP

Member/Proxy

Folio No.

Please tick whichever is applicable.

No. of Shares

Fifteenth Annual General Meeting on 30th December, 2009 at 11 a.m.

- A member / proxy wishing to attend the meeting must complete this Attendance Slip and hand it over at the entrance
- If you intend to appoint a proxy please complete the proxy form and deposit it in the Company's registered office at least 48 hours before the meeting.
- I certify that I am registered shareholder / proxy for the registered share holder of the company.

I record my presence at the Fifteenth Annual General Meeting held on 30.12.2009

Name of the Member / Proxy Signature of the Member/Proxy in Block Letters



CEREBRA INTEGRATED TECHNOLOGIES LIMITED

Regd Off.: # S-5, off 3rd Cross, I Stage, Peenya Industrial Area, Bangalore - 560 058

PROXY FORM

I/We _____ of _____ in the
district of _____ being a member/members of the above name of Company
hereby appoint _____ of _____ in the district of
_____ or failing him _____ of _____
in the district of _____ as my / our proxy to vote for me/us on my/our behalf at
the Fourteenth Annual General Meeting of the company to be held on 30th December 2009 and at any adjournment
thereof.

Signed this _____ day of _____ 2009

Affix
Revenue
Stamp

CEREBRA INTEGRATED TECHNOLOGIES LIMITED

Regd Off.: # S-5, off 3rd Cross, I Stage, Peenya Industrial Area, Bangalore - 560 058

Ph.: 91-80-2837 0282/84 Fax : 91-80-2837 2609

Email: info@cerebracomputers.com, investors@cerebracomputers.com